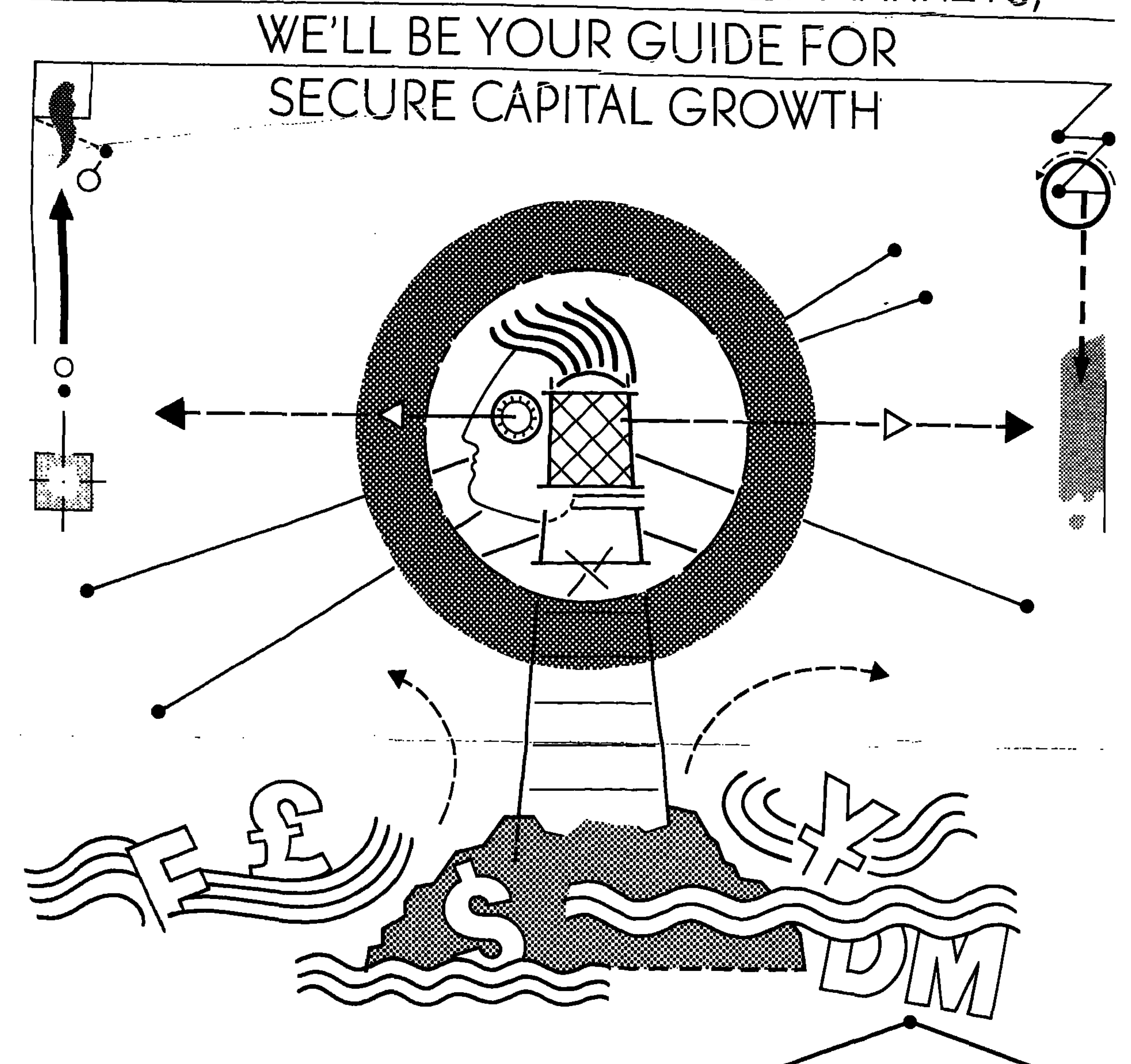





# THE GUARDIAN WEEKLY

Vol. 135 No. 22 Week ending November 30, 1986














## *Administration in turmoil*

*THE Reagan Administration is in further disarray this week, with cabinet members in open recrimination about the Iran arms-for-hostages deal. The president, at the insistence of his chief of staff, Mr Donald Regan, continues to say the idea was not a mistake, though Mr Robert McFarlane, former National Security Adviser, now says it was. Other developments:*

- *Mrs Nancy Reagan is said to be plotting to get rid of Regan, Secretary of State Shultz, who is widely thought to know more than he has admitted about the deal, and Admiral John Poindexter, present National Security Adviser.*
- *Poindexter, who was behind the Libyan disinformation campaign, told Sir Antony Acland, now British Ambassador in Washington, on May 28 that the US would not make a deal on hostages. This was the very day the McFarlane mission landed in Tehran.*
- *Five hours of private testimony by CIA director William Casey on Capitol Hill failed to assuage Congessional wrath, which was renewed by the discovery that shipments were bigger than Mr Reagan had said (at least 235 Hawk anti-aircraft missiles and 2,000 anti-tank missiles) and at a bargain price of $12 million instead of $20 million.*
- *King Hussein of Jordan described the shipments as "an insult to all Arabs" (see David Hirst, page 7). Dr Georgy Arbatov, leading Kremlin spokesman on US affairs, called Mr Reagan a "provincial ideologist," whose backtracking on Reykjavik cast doubt on the value of further negotiations with him.*

# The President on self-destruct

RONALD REAGAN had a choice of stories to tell. Either (like his erstwhile National Security Adviser) he could have told the American public that the Iranian arms imbroglio was "a mistake". Well intentioned, complex, earnest, just one of those things: but, in retrospect, an error he acknowledged. Or he could have regretted nothing and, eloquent over the moral dilemmas, masterful on the details of betrayals and false hopes, sought to demonstrate that he had acted consistently and necessarily in the American public interest.

Instead, coast to coast, he pitched haplessly into a black hole of blather and bungling. He chose absolutely the worst, and most lethal, of all worlds: regretting nothing, but seeming to understand very little. Senator Gary Hart is in no sense an unbiassed observer. But he hit the immediate target four square. "No one expects him to know what's going on. It's a pretty low standard. This President has got away with not knowing very much." The Senator looked ostentatiously back to the days of Jimmy Carter. In such a bind, he'd have been torn limb from limb.

Last week, fielding questions a touch sharper than the norm, Mr Reagan was simply adrift. Adrift on whether Israel had or had not played middleman in arms shipments to Tehran. (That crucial matter, a straight conflict of testimony between the President and his own chief of staff, had to be dowsed in apologetic fudge moments after Mr Reagan had finished speaking). Adrift on the law of his land. Adrift on the linkage between arms and hostage releases: denying it one moment, hailing it another. The abiding impression — for Republicans as well as Democrats — was of a leader unable intellectually to command his brief — and unable to conceal his incomprehension. President Reagan has now contrived to give the political cyclone a new and different force. He has — by his own evident bafflement and confusion — set a far more painful issue before the American people. Simply, is this man up to the job? He said he carried all responsibility. He rhetorically shouldered the burden. But few, listening to his account, could see reality behind the rhetoric. Is he remotely in charge?

*Reports — pages 7, 11, 15, 16*

If that issue begins to roll, then many things may begin to fracture. The Strategic Defence Initiative, for one: a Reagan vision of a world made safe which even those around him don't believe — but also daren't question. Any matter of debate on which the President's authority is crucial will begin to dissolve. The deferential (even timorous) treatment of the White House by the domestic press will end amid the smell of blood.

But exercise a little caution before concluding that a bumbling old buffer of a President is heading for side-lined irrelevance. It is not exactly news that Mr Reagan has problems with anything complicated. That was the whispered bottom line of Reykjavik. It was a charge — remember all the cue card jokes? — made even before he was elected. But it is a very difficult issue to expect the American people to take on board. After all, they chose him. His fireside chats and home political strokes have been their sweetcorn and butter for six long years. They might turn against him because (c.f. Richard Nixon) he lied. But he isn't lying. He just doesn't understand.

That may be a far harder truth to come to terms with. If — a criticial if — the machinery of Washington somehow contrives to tick over smoothly, then Mr Reagan may suffer not so much an eclipse as a period of mock regal semi-retirement: presiding rather than directing. But if the machinery begins to fall apart (see the plight of George Shultz, the ambition of George Bush, the tactless authoritarianism of Donald Regan) then we may all be in for a very nasty, dislocated couple of years. Time and again, the ties that — in all logic — would seem to bind defeat or miscalculation to the President have magically parted in crisis. The voters haven't blamed him. But there is a point beyond which such magic can't easily survive. And the Reagan who says he approved the Iran venture, but can't actually recall quite what he approved, is a leader hoving perilously over that point of self-destruction.

# Another round to Mrs Aquino

NINE MONTHS after being carried into office on a tidal wave of optimism and one day after an abortive coup, President Corazon Aquino of the Philippines is as firmly impaled as ever on the horns of an excruciating dilemma. If she cracks down on her opponents to Left and Right she risks civil war. If she follows her own gentle instincts and tries conciliation, she is seen, as she admitted on Sunday, as weak and indecisive. The only relief she can hope for is the occasional stroke of good luck, of the kind which came her way between Saturday night and Sunday morning, when loyal troops and a previously uncommitted chief of staff mustered to her defence and foiled a putsch led by Mr Juan Ponce Enrile, the insatiably ambitious Minister of Defence. It could so easily have gone the other way.

Not far beneath the surface of the recent violence and ferment, in the forces and on the streets, leading up to the failed coup, the guiding and disruptive hand of disgraced ex-President Ferdinand Marcos can be detected. Ever since he went into exile at the end of February he has been keeping in touch with his cronies and running up an enormous telephone bill. The last attempt to oust Mrs Aquino in July was a less serious threat, led by a former minister in the name of Mr Marcos; he was backed by a few troops and not many more civilians, but claimed the support of Mr Enrile. After a hasty denial the defence minister mopped up the revolt together with all the credit for doing so, redoubling the damage to the President's precarious authority. The events at the weekend showed the kingmaker finally seeking to become king.



It was Mr Enrile who, with General Fidel Ramos, the chief of staff, saw which way the wind was blowing in February and played a decisive role in overturning the fraudulent election which Marcos claimed to have won. This ensured the virtually bloodless triumph of his unlikely opponent. The extraordinary scenes surrounding the inexorable rise to power of a murdered opposition leader's widow and the crumbling of the infinitely corrupt Marcos regime were followed by an instantaneous crisis of expectation. Both the systematically plundered and oppressed population of the Philippines and a pleasantly surprised outside world looked to the fragile Cory, whose main political asset is her married name, for a miracle which would have made the wonder of her peaceful victory look like a minor incident; the immediate salvation of a prostrate republic.

Her main preoccupation has been the search for a settlement of the 17-year-old Communist-led rebellion of the National Democratic Front. She was close to a truce when her efforts were sabotaged by this

*Continued on page 10*

# Why America won't listen

America, according to Michael Goldfarb, is a land of uprooted and brainwashed ignoramuses. As my Polish-born American grandmother might have said, So what else is new?

Illiteracy, whether functional or absolute, is hardly new to America, which is traditionally anti-intellectual and Philistinish. In the 1950's presidential candidate Adlai Stevenson supposedly alienated many voters because his elocution was deemed posh.

Mr Goldfarb says that American education is largely fact-orientated, implying that European education isn't. After three years in London, I am constantly amazed and impressed by the deep knowledge possessed by many Britons that I meet. But I must confess that I'm also consistently disappointed by the failure of most of these people to think originally.

In America, by contrast, some Americans received utterly superlative educations — putting facts to creative use. Britain is considerably more ideological than America, but as a result many people wear intellectual blinders. In any event, it was strange to read Mr Goldfarb's critique of American education on the very same day that the Bradford City football club vice chairman testified that he had never seen the word "void" before, and that if he had, he might have paid more attention to the fire hazard in the stadium. "Void" is hardly obscure.

Was America more comprehensible ten or 20 years ago, when John F. Kennedy initiated the Bay of Pigs and Cuban missile crises? Or when Lyndon Johnson, despite his wonderfully humane domestic policy, killed hundreds of thousands in Asia (and thereby brought plenty of misery back to America)? I think very highly of Mario Cuomo, hope that he is nominated for the Presidency, and will vote for him if he is nominated, but my faith in Democrat presidents has been tempered by experience. After all, I once adored LBJ.

It may be relevant to note that I, an American, am baffled by Europe: by countries blithely releasing rabid terrorists, by despoiling the land of neighbours with acid rain, by being unable to agree on the correct number of sheep to cross borders. If America is as bad (that is, belligerent, morally tainted) as leftist Europeans claim, does it not behove Europeans to form a political alliance to apply diplomatic pressure on the US and USSR?

If Europe did get its act together, a European alliance might have nudged the participants at the recent Iceland summit to a successful conclusion. European and British intellectuals constantly bellyache about America's failure to impose peace on the world, but these same intellectuals do nothing about it. They only talk. No wonder America has stopped listening.

Robert Liebman,
Finsbury Park,
London N4.

I was delighted by Michael Goldfarb's illuminating article "Why America is so foreign" (November 29).

When I say to friends here that I found it an even more foreign country than after my first visit four years ago, my English friends find this difficult to understand.

To add to Michael Goldfarb's insights I offer two examples. One was a young couple in New York who told me that they believed they had been brainwashed about Russia, and the second was my conversation with a mid-western unionist student which ran thus after she heard my English accent:

She: "Where are you from?"
Me: "England."
She: "New England?"
Me: "No England, Europe."
She: Say, do you guys have Democracy there, or are you Communists?"

Annie Howard,
Goring-on-Thames, Reading.

## Caught in the downward spiral of Star Wars 'spin-off'

Martin Walker's Commentary (November 23) about Star Wars as a political and economic weapon seems a little confused. A White House under "increasing strain from defence-swollen budgets and deficits" can hardly be engineering a "spin-off (that) has undoubtedly worked well in Western economies"?

In fact, there is a clear correlation between high military spending and low growth in manufacturing productivity. And "spin-off" from the defence to the civil sector is an increasingly misleading word; an IBM representative recently talked scathingly of "drip-off."

Military electronics, for example, are often so specialised that civil applications are hard to find. Not many washing machies require radiation-resistant chips or printed circuit boards capable of withstanding 20G as does Tornado. One wonders what sort of spin-off we can expect from Nimrod, apart from another huge bill.

In some cases, civil developments are considerably more reliable than military alternatives (and cheaper). The US Army use Apple II computers for battlefield targeting in Europe; an example of negative spin-off?

Thus the Star Wars system will not only not work while providing a good excuse not to reach negotiated settlements, but will also cripple the country foolish enough to develop it. It is, of course, precisely what is needed as a fix for the military-industrial complex.

The most rational Soviet response to Star Wars is to let the US cripple itself with the whole crazy project. What we need is a strategic research initiative, not the pie-in-the-sky of SDI.

(Dr) Philip Webber,
Dacre Avenue,
Manchester.

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## Canada's role in Nato

Since the Labour and Liberal/SDP conferences, I have read in your pages about the debate over unilateral disarmament — the danger that such a policy would mean to Nato's viability and the threat that it would pose towards Britain. Some correspondents have, quite reasonably, emphasised that Norway is a loyal member of Nato, yet will have no truck with nuclear weapons.

May I point out that Canada is also a Nato member, but will permit no nuclear weapons to be deployed on her soil. Further, the only cruise missiles at present in Canada are unarmed, under stringently-controlled testing in the Northwest Territories.

More, there is a growing faction in Canada dedicated to complete unilateral disarmament and repudiation of Nato.

I can assure you that none of the people involved in this steady drift towards disarmament is unaware of the geographical reality — that in any conflict between the two superpowers it is not Europe and Britain that stand in the middle. It is Canada.

M. Neil Copeland,
Armdale, N.S., Canada.

## *Whose day is it, anyway?*

Derek Roberts (Letters, November 16), who is concerned at the adoption of American niceties (sic) by newsreaders and other media-persons, may be interested to learn of the formation a few years ago in the United States of Atahand (Association To Abolish "Have A Nice Day!").

In response to this customary greeting or valedictory, members were urged to say: "I'm sorry, I've made alternative arrangements."

Jonathan Freeman,
London SW17.

I believe it was Groucho Marx who, on being told by a taxi driver to "Have a nice day!" replied; "I'll have what kind of day I like!"

Graham Guest,
London SE19.



# In the chains of apartheid

I am writing to you as a last resort to publicise the hypocrisy of the South African government's repeated claim that it is committed to "freedom of movement, freedom of association, and freedom of speech" as enshrined in a democracy.

Over the past three years I have been trying desperately to obtain a passport or travel document to visit West Germany, Holland, Belgium, Britain, and the United States at the invitation of human rights organisations and in some cases at the invitation of governments.

These invitations were extended to me as a journalist who has been banned and house-arrested; detained; interrogated; and whose office and home have been regularly raided by the security police. I was banned for two-and-a-half-years from December 19, 1980 to July 1983.

Until the beginning of this year I tried more than seven times to obtain a passport, but on each occasion my application was rejected without any reasons being given.

In Janary I applied for a travel document to take up a two-year scholarship offer by Edinburgh University to do a postgraduate course in African politics, African history, and international politics. The authorities kept me waiting for nearly three months before rejecting the application.

In October, when the academic year had already started in Edinburgh, I received an invitation from the British embassy in Pretoria to visit Britain. I was urged to make another application and the official concerned said he would personally take up the matter with the South African authorities. At the same time the West German embassy in Pretoria also pursued the matter on my behalf.

But early this month I was informed by both embassies that the Pretoria government was not prepared to grant me a passport.

The South African ambassador in London should not waste his time in trying to defend a system that cannot be defended. He and his colleagues should be made to pack their bags and return home until such time as the system of apartheid and oppression is replaced by a non-racial democracy, representative of all South Africans, both blacks and whites.

Marimuthu Subramoney,
Press Trust of South Africa,
Durban.

Once again to condemn and take measures against state-supported terrorism has revealed itself as a convenient way of crudely popularising self-interest. Mr Howe and Mrs Thatcher are once again the pitiful fake moralists we always thought them to be. How else can we explain their embarrassing attempts to force the rest of the European Community to follow suit with action against Syria, when they remain so keen that all stay chummy with South Africa? They prefer to have everyone damn one terrorism whilst supporting another with their apotheosis of the "free" market.

Greg Bond,
Gerberstraße,
Leipzig, GDR.

I read Alex Brummer's and David Beresford's article, "US now committed to far-reaching sanctions", (October 12).

A great number of people are yearning for sanctions against apartheid and so for the Senate to override the President's *veto*, to put in place far-reaching sanctions is to my view appropriate. And to all those who helped to make this a possibility I say, bravo.

To many the sanctions bill has come as welcome news. The US is a shining example and it is hoped that others like Prime Minister Margaret Thatcher and President Reagan himself will all join in in this common struggle to bringing the apartheid system to an end.

Bernard Acheampong,
(Freshman Foreign Student),
Centre College, Kentucky.

## Black man's right to choose

Your comment, Own Goal by Black Africa (November 2), on the suspension, organised by the African delegates, of the South African delegation from the International Red Cross Geneva Conference is only another instance of the white man's obstinate habit of telling us, black and brown people, what is good for us and what we have to do. Your advice in effect is no different from Thatcher's or Reagan's when they tell the Africans: "We would, you know, support sanctions against Pretoria, but, children, we know that won't be good for you." The only difference is that Thatcher and Reagan are, as we all know, bluffing while you are still sincerely going about doing good.

Meanwhile, don't you agree, that if the white people, so prolific in advice to us, really mean business, apartheid would not last one miserable day longer?

Paul Casperz, S. J.,
Kandy, Sri Lanka.

## *Arms to Iran for love or money?*

In reply to my enquiry about the sale of arms to both Iraq and Iran, my MP Mr Tom King sent me a letter from the Secretary of State for Defence dated July 29 from which I quote: "We decided in December '84 to apply thereafter the folloiwng set of guidelines to all deliveries of defence equipment to Iran and Iraq: (i) we should maintain our consistent refusal to supply any lethal equipment to either side; (ii) subject to that overriding consideration we should attempt to fulfil existing contracts and obligations."

President Reagan may deal in arms for hostages, but we seem to be doing it for money.

H. Horrobin,
Watchet,
Somerset.

Reagan said that by giving arms to Iran he would be helping *to* prevent war. As a teacher I toyed with the idea of giving a baseball bat to one of two playground combatants. I decided against this idiosyncratic, if not down right stupid solution. Lord save us from all politicians.

J. R. Burns,
Chalgrove Way,
Forest Park,
Lincoln.

*Letters to the Editor are welcomed but not all can be acknowledged. We don't like cutting them but sometimes this is necessary to get them in the page — short letters stand a better chance. Send them to The Guardian Weekly, PO Box 19, Cheadle, Cheshire SK8 1DD England.*



# Leader of heroin gang gets 28 years

THE ringleader of the biggest heroin smuggling operation ever broken by British Customs was gaoled for 28 years at the Old Bailey this week. It was the longest sentence passed by a British court for drug smuggling.

Paul Dye, described by Judge James Rant as "devious, greedy and utterly unscrupulous," was also fined £201,000, with an extra two years in prison if he failed to pay.

Five others who helped him smuggle £100 million worth of heroin from Pakistan through Heathrow to the United States hidden in Marks and Spencer corsets were gaoled for between seven and 17 years. The judge described the offences as "evil and callous in the extreme."

He told Dye, a small-time criminal and second-hand car salesman who lived like a millionaire on his drug profits, that he was "head and shoulders above the others. If I had the power to pass a life sentence on you, I would have no hesitation in doing so."

Dye, aged 42, of Iver, Buckinghamshire, was gaoled for a maximum of 14 years on two counts of conspiracy to smuggle, the sentences to run consecutively, making a total of 28 years. He was gaoled for 14 years on a third conspiracy charge, to run concurrently.

Little of the huge profits he made has been found. The bulk is believed to be in Swiss bank accounts.

In the United States five members of the gang, including Anthony Hudson, the Old Etonian son of Sir Havelock Hudson, a former chairman of Lloyds, have admitted drug offences. Two have been gaoled, and three await sentence.

Derek Gregory, aged 36, of Twickenham, is under arrest in Malaysia. He was allegedly caught with heroin hidden in his boots and underpants and, if convicted, faces the death penalty.

# £2.6m for Constable

**By Donald Wintersgill**

A PAINTING by Constable, regarded as the artist's most important work to come on the market for many years, was sold at Christie's in London last week for £2,640,000.

The painting, of Flatford Lock and Mill, was sent for sale by an American family. It had disappeared from view from 1926 until 1983, when it was exhibited at a Washington gallery.

The painting was bought by the London art dealers Agnew's on behalf of a client strongly rumoured in the art market to be Mr David Thomson, the 29-year-old son of Lord Thomson of Fleet. Mr Thomson has been collecting Constables for 10 years. Agnew's said in a statement that the painting would stay in Britain.

The Tate Gallery in London is expected next week to launch an appeal for funds to purchase another Constable painting, showing the opening of Waterloo Bridge, which is valued at about £4 million.

• Sir Geoffrey Agnew, who died this week, was the doyen of London art dealers. He was closely involved with many of the spectacular happenings in the market, and was a natural salesman, although he had great dignity, and played a part in many acquisitions of works of art by the nation through the tax system.

He was the sixth generation of the firm of Thomas Agnew and Sons, founded in 1817.

Among the notable purchases on behalf of the National Gallery were Samson and Delilah by Rubens (£2,530,000 at Christie's in 1980); Mr and Mrs Coltman setting out for a ride by Joseph Wright of Derby (£1,404,000 at Christie's in 1984); and a ceiling painting by Giovanni Battista Tiepolo (£409,500 at Christie's in 1969).



# Thatcher's war on socialism

THE Prime Minister, Mrs Thatcher, has discovered why Britain spends so much of its time in the economic doldrums. It is, apparently, the very existence of socialism. She intends, therefore, to "get rid of socialism as a second force" and would like another couple of terms in office in order to do so.

In a long television interview — accorded to the commercial channel rather than the "biased" BBC — the Prime Minister explained her reasoning. "If those who look at us from overseas were convinced that we would never have a socialist government of the kind you see in Labour council chambers now; if they thought that was never a possibility and they could be sure of it, and sure we were a reliable ally, our whole prospects would be transformed."

Since Britain has not tasted much socialism since the post-war Attlee government, it had to be assumed that, by socialism, she meant the Labour Party. It also had to be assumed that the overseas view of Britain she had in mind was that of the Reagan Administration, which continues to warn of the dangers of Labour's unilateralist defence policy. It was not at all clear who, on the rearranged political map, was to play "Democrats" to her "Republicans." The "Wet" wing of the Tory Party, perhaps?

Mrs Thatcher's assertion, bordering on braggadoccio, was perhaps not so very different from — or less power-drunk than — Mr Harold (now Lord) Wilson's professed belief, shortly before his party's downfall, that Labour was "the natural party of government." Or the avowed intention of some of his left-wingers to bring about "irreversible" shifts in the social and economic order.

Mrs Thatcher's purpose was to kick off an election campaign to portray the loonier antics of some left-wing councils such as Lambeth and Liverpool — no more than a dozen or so out of a total of 450 — as sinister warnings of what could be expected of a Labour government. The Environment Secretary, Mr Nicholas Ridley, took up the refrain, describing life in such places as "more like Poland or East Germany; the knock on the door in the middle of the night. It is totalitarian, intolerant, anti-democratic, and employs fear to control people."

Labour's leader, Neil Kinnock, took the precaution of distancing himself from his party's extremists. The greatest enemy of radicalism was zealotry, he said. Labour MPs should ensure that the party's real ideals and policies were not blotted out by "the great blanket of distractions which the enemy will be glad to exaggerate and thicken until it smothers achievements and alternatives."

The imminence of a general election has at least saved the BBC from radical changes in its financing structure which the Government would like to bring about. The advocates of market forces favour a system of "pay TV" as an alternative to the present licence fee. The BBC's supporters — and the Labour Party — fear that this would lead to a decline in the corporation's standards. Any changes have therefore been put off until after an election and the annual licence fee has been pegged at its present level of £58 for another 18 months.

In spite of large sums spent on policing — more than 10,000 extra policemen and a near doubling of wages — crime has risen by 42 per cent since Mrs Thatcher came to office in 1979. Recorded crime last year rose overall by three per cent, with particularly heavy increases in violent and sexual crime and robbery. Worse still, 5 per cent more crimes were recorded in the first half of this year than in the whole of last.

The worse things get, the tougher the penalties demanded for dealing with them. Mrs Thatcher is therefore probably on a good thing with her proposed new Criminal Justice Bill, which offers very severe penalties for crimes where guns were carried. Such crimes rose last year by 16 per cent. Whether harsher penalties reduce such crimes, however, is another question, to which the "law-and-order" lobby seldom addresses itself.

The so-called Moors Murders case of 1966 — probably the most villainous crime in recent history — was revived when police decided to search anew a large area of Pennine moorland in Greater Manchester in the hope of finding at least two further murder victims, and possibly more.

Ian Brady and Myra Hindley, who are serving five life sentences and are unlikely ever to be released, were convicted of three sadistic killings. Two of their victims — a 10-year-old girl and a 12-year-old boy — were found buried on Saddleworth moor where police now expect to find a teenage boy and girl who disappeared at about the same time. And there were reports that the two murderers might be let out of prison to assist in the search.

The Government launched a £20 million information campaign — twice the previous budget — to combat Aids, with the promise of more funding to come from a special health authority which is being set up to tackle the spread of the disease. Inexplicably, however, the Social Services Secretary, Mr Norman Fowler, ruled out extra funds for the 180 clinics for sexually transmitted diseases which test and counsel people infected.

The advertising, and leaflets to be delivered to every home, will have straight messages: "Stick to one partner; if you don't, use a condom. And for drug misusers, don't inject drugs; if you can't stop, don't share equipment." Clear and explicit language will be used, though it will stop short of referring to specific acts.

## FOREIGN EXCHANGES

| | Sterling Rates November 24 | Previous Closing Rates |
|---|---|---|
| Australia | 2 1987-2 2012 | 2 1914-2 1942 |
| Austria | 20 16-20 18 | 20 10-20 14 |
| Belgium | 59 44-59 56 | 59 48-59 61 |
| Canada | 1 9627-1 9655 | 1 9674-1 9703 |
| Denmark | 10 81 10 82 | 10 82 10 84 |
| France | 9 35-9.37 | 9.37-9 39 |
| Germany | 2 85-2 86 | 2 86-2.87 |
| Hong Kong | 11.06-11.07 | 11.01-11.02 |
| Ireland | 1.0521-1.0531 | 1 0515-1 0525 |
| Italy | .978 13-1.983 78 | 1.980-1,986 |
| Japan | 232 39-232 76 | 232 51-232.97 |
| Netherlands | 3 22-3 23 | 3 23-3.24 |
| Norway | 10 80-10 81 | 10 80-10 82 |
| Portugal | 211.13-211 19 | 211 51-212 44 |
| Spain | 192 57-192 85 | 192 58-192.90 |
| Sweden | 9.86-9.87 | 9 89-9 90 |
| Switzerland | 2 391-2.395 | 2 38-2 39 |
| USA | 1 4170-1 4180 | 1.4190-1 4200 |
| ECU | 1.3746-1.3763 | 1.3698-1 3713 |

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# *Government gravely embarrassed by Sydney court revelations*

**By our own reporter**

THE Government is gravely embarrassed by the revelations emerging from the New South Wales Supreme Court in Sydney where the British Cabinet Secretary, Sir Robert Armstrong, has spent several days in the witness box under fierce cross-questioning. The Government is attempting to prevent the publication in Australia of the memoirs of Mr Peter Wright, a retired officer in the British counter-intelligence service, MI5.

The most important of the allegations in the book, called The Spy Catcher, is that MI5's former head, the late Sir Roger Hollis, was a Soviet mole. This allegation has already appeared in print before, principally in Mr Chapman Pincher's book, "Their Trade in Treachery," and in another book by Mr Nigel West, "A Matter of Trust". Nigel West is in fact Rupert Allason, the son of a former Conservative MP, who is himself a Conservative Party candidate.

However, such an allegation from Peter Wright, who was Britain's principal spy-catcher for many years, would obviously carry a great deal more weight.

Among the book's other revelations are that British intelligence attempted to bug the French and West German embassies in London; that it bugged diplomatic conferences during the 1950s and '60s, and the Zimbabwe independence negotiations in 1979; that it plotted against Prime Minister Harold Wilson in 1974-76, and plotted to assassinate Egyptian president Abdel Gamel Nasser during the 1956 Suez crisis.

Britain has contended not only that such insider information would damage national security, but that the book must be suppressed to retain the confidence of other intelligence services, including the American CIA.

However, what has already emerged is that much of the material for Mr Pincher's book came from Mr Wright, who in fact received half the royalties, from the publication. Mr Wright contends that the Government was well aware of this and is attempting to discredit him by revealing it now.

In a statement Mr Wright said that Lord Rothschild, the former head of the Heath Government's "Think Tank", invited him to visit Britain in 1980, and sent him a first-class air ticket.

Mr Wright said he had suggested that he should approach Mrs Thatcher directly with the allegations that Sir Roger Hollis was a Soviet mole. But Lord Rothschild said this would not work because she would feel obliged to seek advice from MI5. Lord Rothschild told him that the best way to get a proper investigation was through a book, he said.

Mr Wright said he was drawn to the "inescapable conclusion that the powers that be" approved of the book by means that would allow them to deny that they had anything to do with it. "Victor Rothschild was so much part of the establishment, I could not conceive of him embarking on such a project without having had the sanction albeit unofficial, of the authorities," Mr Wright said.

Mr Pincher said Mr Wright made the deal because he desperately needed money to save his stud farm in Tasmania from bankruptcy, and to supplement his £2,000 annual pension from MI5.

Mr Pincher, a former Daily Express journalist who lives in Berkshire, said: "I was sitting here in retirement, watching the cricket one afternoon, when Peter Wright contacted me. I didn't know him, but the material he later provided to me was an Aladdin's Cave of secret information.

"He referred to himself as 'Phillip' and told me he had prepared around 10 chapters of a book on MI5, but he was ill and had no one to help him except his wife, Lois, who had to do all the typing.

"He only had a small pension from MI5 because of broken service, and he was in financial trouble because a stallion on his stud farm in Tasmania had just died. He was very worried that he would die and leave his wife with nothing.

"I agreed to meet him in Tasmania, and spent two weeks of 10-hour days, gathering information — the sort of information I'd been trying to find out for 38 years, all my professional life."

At one point in the proceedings in the Sydney court last week Sir Robert Armstrong was asked if he had given a misleading impression in a letter to a publisher. In classic civil-servant mandarin-speak Sir Robert suggested the phrase: "being economical with the truth".

At one point the judge, Mr Justice Powell said he was coming further and further to the view that the Government took no steps to stop publication of earlier books containing damaging allegations about MI5 even though it had a chance to do so.

The judge said: "I'm just puzzled as to why someone did not just hot-foot up the Strand (a reference to the High Court in London) and impound every copy of the book (*Chapman Pincher*'s). If there is no legitimate reason why that was not done, and no legal reason it couldn't be done, I find myself pushed further and further to the view that the Government knew exactly what ws being done and did not take steps to stop it."

From there, the judge said, "there is no great step to saying the Government authorised it to be published".

The court revelations led the British Government into announcing that police would investigate leaks by former security service officials to the two authors (West and Pincher). The Attorney General, Sir Michael Havers, said several former MI5 officials had now received formal letters reminding

*Continued on page 6*

# *Nato generals in revolt*

**By Hella Pick**

NATO'S top military commanders are in open revolt against President Reagan's Reykjavik commitment to negotiate an agreement to remove all US cruise and Pershing-II missiles from Europe in exchange for the elimination of all Soviet SS-20 medium-range missiles now targeted on Western Europe.

Nato governments share some of their concern about the implications of the far-reaching solutions to nuclear arms reductions that were discussed at Reykjavik. But, angered by the military's public lobbying, they are bluntly telling Nato generals that they are the servants, not the masters, of democratically elected politicians.

Both Nato's American Supreme Commander, General Bernard Rogers, and his deputy, General Hans Joachim Mack of West Germany, have made public declarations warning that the so-called zero option would handicap Nato's strategy of flexible deterrence and leave Western Europe over-exposed to the Warsaw Pact's superiority in conventional forces.

Last month, both generals angrily complained that they had not been consulted before Reykjavik and not adequately briefed after the meeting between Mr Reagan and Mr Mikhail Gorbachev.

Lord Carrington, Nato's civilian Secretary-General, has already admonished the military by reminding them that the alliance unanimously adopted the zero option as long ago as 1979. That was when Nato made its twin-track decision to deploy 572 cruise and Pershing-II missiles in Western Europe as a counter to Soviet SS-20s, while simultaneously seeking to negotiate the elimination of medium-range nuclear missiles.

General Rogers has long courted a controversial image, and Nato governments have often been challenged by him to revise their defence policies. His emphasis on policies to counter Soviet military superiority in conventional arms is well known.

But General Mack's critical posture causes more concern. Nato is not accustomed to a deputy commander lobbying against the US Administration. Moreover, General Mack is suspected of speaking on behalf of powerful elements within Bonn's coalition government, which is itself unhappy with the US plan to seek a zero solution on medium-range missiles, but does not feel able to confront President Reagan directly.

# The price of backing Ronnie

**By Hugo Young**

IT WAS unfortunate for Mrs Thatcher that she should have gone to Washington while the President was engulfed in the Iranian controversy. Unfortunate but, in the end, illuminating. Because she was there, she was obliged to speak about it. When she spoke, she showed that Mr Reagan enjoys more reliable support for his policy of trading hostages for arms, from the British prime minister than from his own secretary of state.

Mr George Shultz, questioned on television, said that his knowledge of the Iranian imbroglio was "fragmentary at best." When asked whether more arms should be sent, he said no. And he was quite candid about his inability to speak for or associate himself with this duplicitous operation.

It was left to the Prime Minister to sound like a proper Reagan official, the true upholder of collective responsibility. She paid tribute to the President's "total integrity," and added, "I honour implicitly the things which he has said." She endorsed the wordplay by which he was seriously hoping to persuade the American public that he had not been involved in ransom payments.

In support of Reagan, she was prepared to make herself look still more absurd. Within a few days of having broken all links with Syria on account of the Hindawi trial, she defended the President's secret dealings with Iran on the ground that it was always necessary to maintain contact with people. Hard on the heels of a collective European initiative against terrorism, largely engineered by her Foreign and Home Secretaries, she offered not a word of admonition for the most blatant appeasement of terrorists a western government has undertaken.

Depending on your point of view, November 1986 marks the high, or the low, point in the special relationship: which is no longer between the US and the UK but, in the particulars that matter, between two leaders who may be testing to destruction the possibility that personal chemistry is an adequate substitute for professional diplomacy.

Mrs Thatcher will not see her work in Washington like that. To her it will be another example of her willingness to go out on a limb for the President. She would instance also Libya and Star Wars. Over Libya, she allowed British bases to be used at considerable political risk to herself. Over Star Wars she gave Reagan the essential international boost he sought two years ago. Hers was the voice he needed to square the Congress. And she duly obliged.

Their bond has deeper roots. It is an unusually personal affair. On Mrs Thatcher's side there is in one respect an edge to it. A British diplomat close to her once said: "She likes winning arguments, and therefore she likes him. She knows her brief backwards and forwards, and she knows he doesn't know his." It is as if by her intellectual firepower she can briefly compensate for the imbalance of forces in every other respect.

But more resonant than that, in any case, is her simple admiration of what he stands for. As a leader who still believes in her mission to deliver free enterprise to the world, she finds in Reagan the personification of the American dream. He is an unfailing source of wonderment. For the love of Ronnie she will sell her own Foreign Office down the river without a second thought.

No doubt a personal benefit derives from this stance. It is an anchor in the Prime Minister's life. Ever since Reagan was elected, and most notably in 1981, the rush to Washington has offered an escape from domestic turmoil into the embrace of the only electorate that really loves her. The Reagan connection is the basis for a consistency that removes the need for anguished thought. To foreigners, it has the not inconsiderable merit of making British policy fairly predictable.

Tested by the national interest, however, the connection looks to be a diminishing asset. The costs of putting a pro-Reagan spin on the policy exceed the advantages.

If we leave aside the therapy administered to her personality, Washington has done Mrs Thatcher only two substantial favours. One was during the Falklands War, when it is commonly agreed that the pro-Thatcher sentiment of Reagan, plus the pro-British instincts of Defence Secretary Weinberger, ensured that more covert assistance was given to the Task Force than might otherwise have been expected.

Secondly, Britain has bought Trident II on favourable terms, cheaper than cost price. And Trident, as the Prime Minister made clearer than ever on her return, remains the greatest single pay-off for which she looks to her personal American connection: perhaps, indeed, the only one that matters to her.

There was, in fact, something a little bogus about what was agreed on this. It was a good turn to an election-minded British leader rather than the clarification of a position, post-Reykjavik, which anyone could surely imagine was in serious doubt. Reykjavik had huge implications, few of them apparently yet understood even by the participants. But the step from there to an actual threat to the Conservative Party's defence policy is one that few qualified observers can actually foresee being taken.

However, let us count that a Thatcher success, and the Camp David statement as a useful disciplining of the Reykjavik excesses. What other consequences for Britain have flowed from the devoted mutual admiration between Downing Street and the White House?

Firstly, hardly the smallest shift in the balance of power. Mrs Thatcher goes out on a limb for Reagan but he does not repay the compliment. In its role as policeman of the hemisphere (invading Grenada, a Commonwealth country), or anti-Soviet crusader (outlawing supplies for the Siberian gas pipeline) or defending the almighty dollar (resisting interest-rate cuts), Washington flicks aside its most devoted friend as if she had not spoken.

Secondly, the special relationship, instead of conferring freedom, has become a kind of shackle. As developed by Mrs Thatcher, it limits her power of manoeuvre. In order to preserve it, she becomes associated with policies which, in other circumstances, she has denounced.

The defence of hostage-trading in Iran is one example. Another is the regrettable association-by-silence with US policy in Central America. Does anyone any longer doubt that the President is financing terrorism against the elected government of Nicaragua? Must Britain be dragged helplessly along, an acquiescent ally of the double-talk and straight mendacity that surrounds the operation?

Third, and more seriously, the deference of Mrs Thatcher to Washington's view of the world associates this country with a foreign policy that has become devoid of constructive possibilities. We go back to the leaders of the enterprise. Each confirms the other's narrow horizons. Each is a nationalist and a domestic populist, making a minimal creative contribution to global problems. If they have a vision, it is still one that derives from the anti-Soviet obsession.

All round the world, western diplomacy has run into the sand. There is no movement in the Middle East. Little beyond terrorism is being tried in Central America. Southern Africa has been exposed to the mutually supportive inertia favoured, very personally, by the Thatcher-Reagan duopoly — an impasse from which only the US Congress might offer a way out.

Washington, of course, is the greater culprit, because Washington has the leverage. But Britain has sacrificed most of such independence as she might aspire to, and become an unregarded collaborator in too many of Reagan's misbegotten enterprises. It is a high price to pay for a very special friendship.



# Barclays pulls out of South Africa

**By David Beresford and Hamish McRae**

BARCLAYS BANK is withdrawing completely from South Africa, the biggest disinvestment shock for the country to date. The South African mining giant, Anglo-American, is taking over the bank's South African operation — Barclays National Bank — in a deal worth about £200 million. The huge divestment deal, a major psychological blow for South Africa's sanctions-hit economy, will be anounced at a Johannesburg news conference this week, they said.

Barclays Bank of Britain owned 40.4 per cent of Barclays Bank South Africa, the country's second largest commercial bank, making it one of the largest foreign investors in South Africa. Locally-owned Anglo-American has been second largest shareholder in Barclays Bank South Africa with 25 per cent of the stock.

Barclays' decision to disinvest from South Africa follows a spate of similar announcements by large US companies: IBM, General Motors and Eastman Kodak recently said they were pulling out because of South Africa's apartheid racial segregation policies and a business slump.

For years, Barclays has been a target of British anti-apartheid campaigners and in 1985 it cut its holdings in Barclays, South Africa from 50 to the present 40.4 per cent. Barclays, South Africa employs about 25,000 people and has branches throughout the country.

Business experts said the decision of Barclays of Britain would almost certainly be seen as a vote of no confidence in South Africa from a company which has had possibly the highest profile of all foreign business interest here.

The withdrawal of foreign shareholders would mean that Barclays, South Africa would be less vulnerable to sanctions pressures, analysts said.

The growing concern that the South African link has harmed the bank's image has encouraged Barclays to distance itself publicly from the South African regime's policies. Earlier this year Barclays new chairman, Sir Timothy Bevan, publicly spoke out against apartheid.

The group has lost a number of bank accounts from Labour councils and some charitable business. But the most serious damage that the South African connection has done to the bank has been the relatively small number of young graduates and undergraduates who have opened accounts at Barclays.

# Grant to Arts Council disappoints

**By Seumas Milne and Nicholas de Jongh**

THE Arts Council's budget for 1987-88 will be cut in real terms, Mr Richard Luce, the arts minister, announced last week.

This year's government grant is £135.6 million. Next year it will be £138.4 million, a cash increase of 2 per cent. After allowing for inflation, that will mean a cut of about 1 per cent.

At a time when many other government departments are increasing spending Mr Luce tried to put a brave face on his budget. He said: "It's not a decline, it's not gloom. The public is taking an increasing interest in the arts. We must look to local authorities to play their part."

Mr Luce said that the council's "basic provision" will be raised from £110 million to £113.8 million, an increase of 3.4 per cent. But the cut in funds to meet responsibilities inherited from the old Greater London Council and the former metropolitan counties from £25 million to £24 million means that the total government grant will not keep pace with inflation.

Mr Luce said that his overall arts and libraries budget increase of 5.4 per cent, which was announced as part of Mr Nigel Lawson's autumn statement on November 6, was only marginally below the average rise for other departments of 5.6 per cent. But most of the extra money will go on the new British Library at St Pancras in London. "The British Library project is a great investment for the nation," he said.

Mr Luce's announcement was greeted by expressions of outrage and disappointment from the Arts Council, the British Film Institute, opposition arts spokesmen, and the National Campaign for the Arts. The campaign accused the Office of Arts and Libraries — headed by Mr Luce — of providing "misleading" figures which hid the government's plans to reduce local authority capital spending on the arts by two-thirds in 1987.

Mr Luce is now being spoken of as the weakest arts minister since the office was created, and the least enthusiastic advocate of public spending on the arts.

Mr Luke Rittner, the secretary general of the Arts Council, predicted a year of "very serious problems" and acidly commented: "We were looking for a liferaft and the minister has left us struggling in a very deep water." He could not believe that the Government intended to leave the council in such a situation. The council would have to consider hard options, which would include cuts in grants to some companies, or an increase of 3.5 per cent across the board.

Mr Anthony Smith, the director of the British Film Institute, described his reaction as one of uncomprehending fury. "Work right across the board," would suffer. Recollecting Mrs Thatcher's pledge that her administration would not permit "candle end savings" in the arts, he said, "the difference between meanness and adequacy is only a few hundred thousand pounds in our case".

Mr Norman Buchan, Labour's arts spokesman, described the arts increase, when seen against "the election spending spree of a week ago," as a signal of contempt for the arts.

Mr Luce's statement, he said, was "both dishonest and deceptive" with cuts claimed as increases. Opposition arts spokesman in the Lords, Lady Burke commented: "It does not appear to me that the minister for the arts has fought his corner if this is the miserable result."

A statement from the National Campaign for the Arts declared that when the special grant for the British Library was removed the arts were only receiving an increase of 2.6 per cent.

The Arts Council asked the Government for a grant of £164 million and stressed that the absolute minimum it needed was £140 million.

# Private Eye must find £250,000

**By Seumas Milne**

PRIVATE EYE faced a £250,000 bill for damages and costs last week after a High Court jury in London decided that the magazine had libelled Mr Robert Maxwell, the owner of Mirror Group Newspapers, by suggesting that he was trying to bribe Mr Neil Kinnock, the Labour Party leader, to recommend him for a peerage.

Mr Maxwell was awarded £55,000 damages against the magazine for two articles published last year which claimed that he was funding Mr Kinnock's foreign jaunts.

The jury of six men and six women took five hours to find unanimously that the stories were defamatory and not substantially true, but also decided that the libels themselves were only worth £5,000. The other £50,000 damages were "exemplary" or punitive against Private Eye's publishers, Pressdram, and its former editor, Mr Richard Ingrams.

This did not detract from the evident delight of Mr Maxwell as he swept out of the High Court with his retinue of employees.

"I am glad that a jury of 12 men and women have upheld my case and supported my allegation that Private Eye are liars and pedlars of filth for profit," he boomed. His victory would "help the thousands of people, their families and friends who have suffered over the years by being targeted and recklessly attacked."

As soon as the judge had closed the trial, Mr Maxwell was on hand to denounce his enemy "Mr Wigwam" (as he refers to Mr Ingrams) and speculate on how he would spend the damages money.

"I think it will go to a charity for the benefit of children, perhaps the NSPCC, or perhaps into research into Aids," he mused. Two minutes later in the street, he had solved the dilemma. "It comes from an infected organ and it is appropriate it should go to Aids."

*(A smack in the Eye, page 21).*

# A COUNTRY DIARY

NORTH RONA: As the helicopter passed over the north west tip of mainland Scotland I asked the pilot if I could take some aerial photographs when we reached North Rona — some 47 miles farther to the north west. Nothing could have prepared me for the moment when I knelt down with camera ready and the large door slid open and there I was staring down on to the island. On landing I made for the huge grey seal colony scattered across a north-reaching peninsula and was soon photographing combinations of bulls, cows, and pups. There were plenty of white pups scattered throughout the colony and some were a long way from the sea and well up the lower slopes of the hill. As with St Kilda it is believed that the colony did not form until the people were evacuated — in the case of North Rona in 1844 — and now the colony produces 2,000 pups a year.

Standing on this isolated, storm-lashed island it was difficult to imagine that the 300 acres once supported as many as 30 people. The only signs that remain are a sheep fank, a few crumbling earth houses and an area of lazy beds. An even earlier occupation has left the ruins of St Ronan's cell from the 9th Century AD and a medieval chapel. Both the latter structures were partly restored by Fraser Darling during his famous four month stay on the island in 1938.

As it was November there were no auks around but I was surprised at the numbers of fulmars. Other birds included greater black-backed gulls scavenging amidst the seal colony whilst elsewhere small groups of redwings — the dark Icelandic race — sought shelter as did a single golden plover and snow bunting. Then it was time to go and I realised that even at this time of year North Rona was as stimulating and exciting as my last visit in June and there are not many places like that as far as I am concerned.

*Ray Collier*

# THE WEEK

AN accident at Ciba-Geigy, Switzerland's largest chemical company, left hundreds of people in Basle with eye and throat [illegible] from a research laboratory.

The gas escaped when a worker made a mistake while mixing ingredients to make a resin used in the aerospace industry. Local health officials said that the gas is not toxic but makes eyes water and irritates the respiratory system.

Last week Ciba admitted spilling 400 litres of weedkiller into the Rhine and the authorities in Basle confiscated all its records on production of the chemical involved.

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FOR the first time since 1981, the Soviet Government has started to publish detailed figures on grain production.

They show that the country suffered a series of disastrous harvests while Mikhail Gorbachev was in charge of agriculture, as the responsible secretary in the Central Committee, and that in some years output was far less than even the gloomiest American estimates.

The worst year was 1981, when only 158 million tons of grain was produced, less than two-thirds of the planned target of 239 million tons. The American estimates for that year were 170 million tons.

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AS many as 93 per cent of Indians consider the Soviet Union to be India's best friend, while only 6 per cent favour the United States, according to an opinion poll in New Delhi carried out this week on the eve of a visit to India by the Soviet leader Mr Mikhail Gorbachev.

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IN an unprecedented air and land rescue operation, the Indian army and air force have rescued over 500 people trapped by an avalanche in the Himalayas. At least 70 people were reported to have been killed. Several hundred more are missing.

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AFGHAN guerrillas are taking a beating in the combined onslaught by Soviet and Afghan government forces against their positions in the western province of Ningraher. Guerrilla sources say that some of their positions in the mountainous Kammadacca area close to the Pakistani border post of Torkham have been overrun.

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MR FELIX ERMACORA, the Austrian author of a report for the United Nations General Assembly on human rights in Afghanistan, has complained that the UN cut out key sections on Soviet and Afghan government atrocities, including allegations about the Soviet use of chemical weapons, before circulating the report as an official document. *(Amnesty report, page 9.)*

Six months after he was removed under the watchful muzzles of Soviet tanks as secretary of Afghanistan's ruling People's Democratic Party, Mr Babrak Karmal has stepped down as the country's president.

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THE South African government appears increasingly to be back-pedalling on its reform policies, in anticipation of a general election next year which is expected to be President P. W. Botha's political swansong. [illegible] it has [illegible] a "progressive" report by the President's Council — a state advisory body — on the Group Areas Act, which provides for residential segregation in the country.

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A SUICIDE car bomber angry at being stopped at a United Nations checkpoint in southern Lebanon blew up his car this week, killing three Fijian soldiers, a civilian Lebanese woman and himself. His intended target was apparently a position of the pro-Israeli South Lebanon Army militia 100 yards away.

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THE Kenyan authorities have gaoled two more people in connection with the underground opposition movement, Mwakenya.

This brings to 44 the number of people convicted of sedition since March, and is part of a new wave of convictions which started at the end of October. A further seven people have been detained without trial.

The Kenyan Law Society, which represents the country's lawyers, strongly condemned a bill which seeks to change the Constitution and is widely regarded as an attempt to concentrate more power in the hands of the President.

Church leaders have already objected to a new system whereby voters in elections within Kenya's sole and ruling political party, the Kenya Arica National Union, Kanu, would have to queue up publicly behind the candidate of their choice instead of voting in secret.

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REAL life brutally intruded into the make-believe world of Dallas last week when police in a remote corner of the Rocky Mountains arrested two youths suspected of shooting dead the parents of Patrick Duffy, who plays Bobby Ewing in the celebrated television soap opera and has himself just been brought back from the dead to bolster flagging ratings.

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THE three most powerful Mafia godfathers in New York and five lesser crime bosses were convicted last week of participating illegally in a "commission" which governs the American Mafia and regulates its criminal activities.

Carmine (The Snake) Persico, leader of the Colombo crime family, Anthony (Fat Tony) Salerno of the Genovese family and Anthony (Tony Ducks) Corallo of the Lucchese group, and their five associates were found guilty of conducting a "pattern of racketeering," including extortion, loan-sharking, bribery, union pay-offs and, in at least one case, murder.

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THE Argentine Foreign Minister, Mr Dante Caputo, told the UN General Assembly, which is debating the Falklands issue, that Britain's real motive in imposing a 150-mile fishing zone around the Falkland Islands was to "create friction and provoke armed incidents that will consolidate its colonial occupation and will bring about the desired political and electorate gains".

# Aquino sacks her Defence Minister after coup plot

**By Greg Jones in Manila**

PRESIDENT Corazon Aquino of the Philippines sacked her Defence Minister, Mr Juan Ponce Enrile, on Sunday, after heading off a coup attempt led by army colonels closely connected with the minister.

The showdown with Mr Enrile, who has been openly challenging Mrs Aquino for several months, came after a weekend during which the Government faced its most dangerous moment since coming to power nine months ago.

The coup plot, discovered only hours before its organisers planned to put it into action, was for troops to take over key installations and buildings in the capital, including the National Assembly. There, they planned to bring together members of the last, pro-Marcos Assembly and to nullify Mrs Aquino's presidency.

The plot was spiked by the chief of staff of the country's armed forces, General Fidel Ramos, who has until now tried to act as a peacemaker between Mrs Aquino and her rebellious Defence Minister. But, faced with clear evidence of a plot to bring down the Government by violence, General Ramos issued immediate orders to field commanders to ignore any directives from the Defence Minister or his military associates.

In a national television broadcast, President Aquino told Filipinos that she had asked for and received the resignation of Mr Enrile and requested the resignation of her other cabinet ministers. The Cabinet revamp would "give the government a chance to start all over again."

She also lashed out at Communist guerrillas and announced that she would end peace talks with the rebels if the ceasefire was not signed by November 30. President Aquino said: "It is clear that the extreme left has no interest in the peace that I have continually offered." The ceasefire deadline had been a request of General Ramos and Mr Enrile.

President Aquino said that General Ramos had taken "preventative measures to cure the recklessness of some elements of the military." She warned other possible rebels that "all those who may be inclined to exploit the present situation would face the strongest measures against them if they try."

The weekend's drama began early on Saturday after disgruntled soldiers held rallies criticising President Aquino. Military intelligence reports received by General Ramos detailed a plot by Marcos loyalists and rebel soldiers to seize the National Assembly building and reconvene the defunct legislature.

Although Mr Enrile was not implicated by name in the alleged plans, palace officials believe that the defence chief was at least aware of the attempts to destabilise the Aquino government.

A senior presidential adviser said the Defence Minister's loyal colonels had badly miscalculated. "Maybe they thought by using scare and terror tactics, President Aquino would capitulate. What they got back instead was the head of Enrile," said the adviser.

President Aquino asked Mr Enrile to resign during a 15-minute meeting at the Presidential Palace on Sunday afternoon. Mr Enrile is said to have accepted President Aquino's request calmly and the meeting "ended amicably." The ousted defence chief retired without incident to his suburban mansion, where he spent the evening receiving friends, political allies, and well-wishers.

Mr Enrile's successor, retired General Rafael Ileto, who was serving as the deputy Defence Minister later met some of Mr Enrile's "colonels" and urged them to support President Aquino's government.

*Mark Tran adds:* The US reacted swiftly to the events in the Philippines, saying it was pleased with the failure of the coup. The State Department also gave a vote of confidence to the new Defence Minister, Mr Rafael Ileto, whom it described as a distinguished professional soldier and diplomat. The Department reiterated its "strong and unequivocal support" for Mrs Corazon Aquino and her administration.

After initial hesitation about Mrs Aquino, especially in the White House, the Reagan administration has thrown its support behind her. Her triumphant September tour to the US made a big contribution to converting the doubters.

In recent weeks, as rumours of coups swept Manila, the US made public its backing for Mrs Aquino. According to a Philippines expert in Washington, Mr Richard Kessler, "The US has made it known at all levels, including private warnings to Mr Enrile, that the US would not look favourably on a military takeover. The administration would cut economic and military aid and eventually pull out of the bases."

Mr Kessler said that Mrs Aquino originally wanted to keep Mr Enrile in the Cabinet at least until January, when voting takes place on a new constitution "which would amount to a referendum on Mrs Aquino." But Mr Enrile's last actions had forced her hand.

Leading members of Congress praised Mrs Aquino for decisive handling of the latest turn of events and showed scant sympathy for Mr Enrile. Democratic Senator Sam Nunn said Mr Enrile had prevented "some sense of forward movement in the economy" by discouraging new investment in the Philippines.

# *Sydney revelations*

*Continued from page 3*

them that they should not make any unauthorised disclosures about their work.

In the Commons last week the Prime Minister said she would not discuss matters which could be relevant to the court proceedings. The Labour leader, Mr Neil Kinnock said Sir Robert had testified in court that officers of the Crown had photocopies of Mr Pincher's book several weeks before its publication in 1981.

"Why did you accept the decision of the Attorney-General not to seek an injunction and prevent publication of Mr Chapman Pincher's book, obviously prejudicial to national security?" he asked.

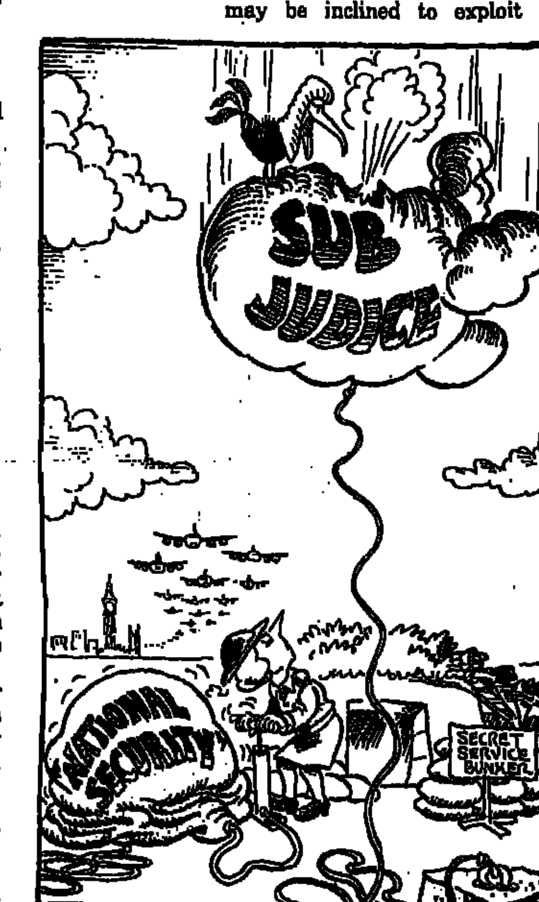
After Mr Kinnock alleged "huge inconsistencies" in the Government's approach Mrs Thatcher said: "When the case is over we will, of course, consider carefully any question put to us, in the light of the usual custom and conventions."

The Labour MP, Mr Dale Campbell-Savours read out in the Commons a list of 21 former officers of MI5 — including Sir Martin — who, he said, spoke to Mr West or Mr Pincher, and asked why the Government had decided not to take action against Miss Joan Miller, a former special assistant inside MI5, whose memoirs are being published in Ireland.

Later, he and Mr Brian Sedgemore, Labour MP for Hackney South and Shoreditch, tabled Commons motions accusing Mrs Thatcher of acting with Sir Michael to prevent a prosecution under the Official Secrets Act of Mr West.

They also demanded a judicial inquiry into "the nature of the relationship between Lord Victor Rothschild and Chapman Pincher" which, they say, led to the publication of classified material and also a possible lead of classified information to Mr Pincher by Sir Arthur Franks, a former head of MI6.



# *Inquiry into ship disaster*

**By Joe Joyce in Dublin and Peter Murtagh**

AN investigation into how the 54,000-ton freighter Kowloon Bridge lost her steering and ran aground near Cork in southern Ireland has been ordered.

A spokesman for the Department of Transport said inspectors had been appointed to investigate what happened to the Kowloon Bridge between the time it left Bantry Bay and ran aground on Stag's Head rocks. The inspectors will liaise with the authorities in Ireland and in Hong Kong, where the ship is registered.

The Kowloon Bridge is a sister ship of the Derbyshire, which sank in mysterious circumstances in 1980 in the South China Sea with the loss of 44 lives. Both vessels were part of a series of six built by Swan Hunter and the Derbyshire is suspected to have snapped its back in heavy seas.

The Kowloon Bridge was carrying £4 million worth of iron ore from Canada to Clydeside when, on Saturday, it sought shelter in Bantry Bay after developing suspected hull damage in heavy seas.

The captain put to sea despite advice against doing so from Lloyd's insurers, and early on Sunday radioed his decision to abandon ship, apparently after losing his rudder in an 80-foot swell. All 28 people on board were airlifted to safety by two RAF Sea King helicopters operating in darkness and 75mph winds.

Relatives of those who died on the Derbyshire have been pressing the Government for an inquiry into the circumstances of her sinking.

# Blacks die in mine violence

**By David Beresford in Johannesburg**

TROUBLE intensified on South Africa's gold mines this week, leaving 14 black workers dead after separate clashes on the West Rand.

One of them died after an alleged attack by mine security officials and black "boss-boys" on trade unionists at the Kinross gold mine, recently the scene of one of South Africa's biggest underground disasters.

Simultaneously, a possible confrontation between miners and the Gold Field's mining group was signalled by an industrial court ruling which upheld the right of the National Union of Mineworkers to hold strike ballots on all seven of the company's gold mines.

Thirteen of the dead miners were killed at Anglo American's Vaal Reefs mine on the West Rand, in fighting which developed over a boycott of the local beer tavern. Another 20 people were injured, four of them seriously, in the clashes, which erupted on Sunday night. About 5,000 employees failed to turn up for work on Monday.

A spokesman for the NUM, Mr Marcel Golding, said the boycott had been in effect for some time and had wide support. Fighting had started when NUM shaft stewards were attacked by "indunas" (boss-boys).

Fires were still burning at another mine, Kloof, where teams worked round the clock trying to seal off flames raging 2,300 yards below ground.



# *The Emperor has no clothes*

**By Alex Brummer in Washington**

RONALD REAGAN's effort to shut the Pandora's box of emotion and incredulity opened with his underhand dealings with Iran is proving the toughest battle of his presidency. Twice within seven days President Reagan has sought to evoke the image of the great communicator whose sincerity and straightforward manner sold the country on the notion that America stands tall again in the community of nations.

"You know, America used to wear a 'kick me' sign around its neck," the President told audiences during October's mid-term election campaign. "Today every nickel-and-dime dictator around the world knows that if he tangles with the United States of America, he will have a price to pay."

While the name of President Jimmy Carter was not invoked in this oration, audiences across the country knew instinctively who President Reagan was talking about when he referred to the "kick me sign". The images of rampaging students sacking the US embassy in Tehran in November 1979, burning effigies of the American flag, and playing fast and loose with the political system to the very hour and minute that President Reagan took the oath of office on the steps of the US Capitol, are deeply ingrained on the American psyche.

The current fiasco over arms shipments to Tehran is like no other in the Reagan presidency. While, for the most part, foreign affairs play litle part in domestic public opinion — a crisis in Central America is as remote as crisis in the Middle East — Iran is a subject on which the American people are uniquely knowledgeable. For 444 days America was held hostage: Walter Cronkite told them so every night on the CBS News.

And if they missed this, there was always the chance to pick up the strands at 11.30pm, when Ted Koppel's Nightline, which became a riveting must for Iran aficionados, explored the subject again. Instinctively, Americans have come to associate Mr Koppel with Iran. So last week, after Mr Reagan had done shown his Iranian stuff before the White House news hounds, the proper thing to do was turn on Nightline — the gauge of the public mood where Iran is concerned.

What the public saw was extraordinary for the Reagan years and provides strong clues as to the difficult path which the Reagan White House will have to tread over the next 24 months. Arrayed before a video of the President's press conference were three of America's most distinguished correspondents, including the conservative commentator, John McLaughlin, and a liberal writer for the New Republic, Michael Kinsley. As the President ran the gauntlet of the questions put by the White House press corps the distinguished video observers cynically scoffed at many of his answers.

This was an unprecedented development for the Teflon presidency in which public criticism of President Reagan has been seen as almost unpatriotic activity. Not, apparently, any longer. A succession of body-blows to the White House's credibility has put the media, always willing to give Ronald Reagan the benefit of the doubt (in public at least), on the offensive.

The cumulative loss of credibility stemming from the Libyan disinformation campaign, the defeat on South African sanctions, the attempt to portray Reykjavik as a brilliant success, the Hasenfus shoot-down in Nicaragua and the mid-term elections, reached its peak in the Iranian affair. The emperor suddenly has no clothes.

This was evident from most of the early reaction to the President's speech. While there was some sympathy out there for an old geezer being mauled by a hostile press corps, most anecdotal testimony suggests that the old geezer did not pull it off.

The speed with which Congressional critics were out in the open, savaging the President, is evidence of how far he has fallen. Senator Sam Nunn of Georgia, perhaps America's most listened-to voice on arms and defence policies, counted "seven major contradictions" in President Reagan's speech. The departing chairman of the Senate foreign relations committee, Senator Richard Lugar, generally a White House loyalist, said, "The President is in error, very serious error," in his assertions that the US has not encouraged the shipments of arms to third countries.

The loss of credibility represented by the Iran affair, which will drag on for months as the Congressional hearings come to terms with President Reagan's policy u-turn, is bound to spill over into other policy areas. It is not enough, as some critics of the Democratic party have said, that their leadership is in disarray. Nothing has unified them more than the sight of a President — who has been untouchable for so long — on the run.

Senator Robert Byrd, the newly-elected majority leader, is a changed man as a result of the Iranian crisis. The shuffling of feet and weak talk of a bi-partisan foreign policy which came in the aftermath of the mid-term elections has been replaced with a gutsy aggressiveness which appears sure to put the brakes on Reaganism over the next two years.

From aid to the Contras to Star Wars and peace initiatives in the Middle East, the President can no longer appeal over the heads of the Congress to the American people as he has done in the past.

This should not be seen as a cause for great cheer. The idea of a superpower shackled by a lack of political consensus is not a happy one. Even when the row about arms for hostages has died away, the US will be left with insurmountable problems to tackle. It is not just the American people, but "friends" in the Middle East, and the West who have been hurt by the secret arms pipeline to the ayatollahs.

In his dealings with the allies, President Reagan's strength has been his ability to speak for the nation in a way that many of his predecessors failed to do.

Rebuilding that confidence will be a long-term process. It means that instead of pushing on into new arenas, such as welfare reform, sweeping arms reductions, Star Wars and the international fight against drugs, President Reagan will be struggling to re-establish his political base.

It has been badly shaken. As one US commentator wrote, "It's as if the school drug counsellor were suddenly discovered pushing crack." Changing that perception will be critical if the Republicans hope to hold onto the White House beyond 1988.

# Arms deal with Iran seen as final US insult to Arabs

**By David Hirst**

"UNBELIEVABLE,' muttered a Saudi newspaper when President Reagan first went on television to confirm his arms dealing with Iran. "Folly," a Jordanian one said. "America's duplicity," an Egyptian one said, "has deprived it of all credibility in attempting to play a role in the Gulf war and the Middle East generally."

Yet, by Arab standards the silence has been almost deafening. Apart from Iraq, the most directly harmed, only Jordan — finally joined by Egypt — has issued an official pronouncement.

The prolonged hush can no longer be one of shock: It is one of embarrassment of the deepest kind. This is an affair that goes beyond the narrow, sectarian pre-occupations of those Arab regimes, so-called moderates, which pray that Iraq can hold its own against the relentless Iranian onslaught, or of those so-called "radicals", which, though fearful of Iranian conquest of Arab land, are exploiting the Gulf War to ensure the downfall of President Saddam Hussein.

Unquestionably the "moderates" — the Gulf states, Jordan and Egypt — have more ground for outrage and dismay. "God help you, American Arabs," laments the Gulf newspaper Al-Ittihad, "all of you who look to the US for salvation. America has been treating us like this for 30 years." The humiliations to which these "moderate" regimes feel themselves to have been subjected are legion.

But surely none seem more ironic today than those occasions on which the US Administration has seen fit to reward its loyal protégés with new supplies of arms — not, heaven forbid, for use against Israel — and the Israeli-influenced Congress has invariably succeeded in wrapping up the final package in a network of technical and political restrictions, as in Saudi Arabia's case, or blocking it altogether, as in Jordan's. No, for Al-Ittihad and others, the Iranian arms scandal simply marks the crossing of yet another threshold, though a bigger one than usual, of American insult and injury.

For the "moderates", Iran has become no less a peril than Israel itself: in fact, not only for them, but it is only they who are continuously lamenting the fact. Small wonder that King Hussein of Jordan has been the most outspokenly critical — for no one has warned more consistently than he that an Iranian victory would be a cataclysm liable to sweep away the entire existing Arab order. Yet this is the "moderates'" reward. It is Iran which gets the weapons, an Iran which is still solemnly inscribed on the Administration's list of "terrorist" states, which is as patently involved as Syria in the kidnapping of Americans in Lebanon; it gets them at a time when it is manifestly gaining the upper hand in the Gulf War, and without restrictions.

Now we know, "moderate" Arab newspapers say, that terrorism does pay. How much longer, some ask, can the "American Arabs" go on justifying their American "option", as opposed to the Soviet one or some kind of "self-reliance". It is a very pertinent question. But the answer to it can only be conjecture.

It is relatively easy for such traditionalist, authoritarian systems as the House of Saud to repress manifestations of anti-Americanism. Relatively open and democratic societies like Egypt's have already provided evidence of deepening anti-Americanism.

The silence of the "radical" camp has been at least as eloquent. Syria's al-Baath or Al-Thaurah would surely have been taunting Arab rivals with cries of "We told you so" were it not for the exceedingly awkward fact that the beneficiary of Mr Reagan's arms-for-hostages diplomacy is their own, already highly controversial ally in the "anti-imperialist, anti-Zionist" struggle. Syria has a particular reason for embarrassment.

It may well have had a hand, with a leak to the little-known Beirut publication Al-Shira'a, in the original exposure of the McFarlane mission — it has its own difficulties with its Iranian ally — but it has been a vital conduit for the supply of arms to Iran from various quarters; whether these include dealings with the Americans or even the Israelis is a matter of serious speculation.

According to well-informed sources, the hardliners close to Ayatollah Khomeini's successor-designate, Ayatollah Montazeri, who briefly kidnapped the Syrian chargé d'affaires in Tehran recently, did so for the sole purpose of extracting from him all he knew about this subject.

As President Hafez Assad's plenipotentiary for arms supplies to Iran, Colonel Mahmud Iyyad knew a lot. It was after he had spilled the beans that the "pragmatic" faction, led by the Speaker of Parliament, Hashim Rafsanjani, pre-empted its rivals by going public on the McFarlane caper.

Those Arabs who are not too busy exulting over each others' embarrassments have perceived the deeper and more disturbing truth behind this affair. They do not believe, any more than anyone else, Mr Reagan's claim that it was not, in origin, a straight hostage-for-arms trade-off which then had to be dressed up, upon exposure, as a statesmanlike bid to bring Iran back into community of civilised, American-loving countries.

But, for them, it is an indication all the same that, when it comes to a choice between the Arabs and their rivals or adversaries in the region, the US will always favour the latter — be it an Israel which can do no wrong, or an Iran whose wrong-doing all of a sudden no longer counts.

No one has much time for Colonel Moammar Gadafy or President Assad. When American F-15s struck Tripoli and Benghazi last April, the public Arab outrage and expressions of solidarity were not unmixed with private satisfaction that the Libyan mischief-maker had got something of what was coming to him. Judging by the almost complete Arab silence that greeted the verdict of the Old Bailey, the discomfiture of President Assad was even more secretly pleasing: whatever the final truth about Nezar Hindawi, Arab regimes know that President Assad has been a much more effective exporter of terrorism than Colonel Gadafy, since a good deal of it has been directed at themselves.

All the same for Mr Reagan to apply sanctions — however ineffectual — to an Arab terrorist state just as he was divulging his amazing transactions with a non-Arab one was to arouse fears that, through Mr Assad, as through Colonel Gadafy before him, it is once again the Arabs who are to be singled out as universal scapegoat.

# Russians embrace the free market

By Martin Walker in Moscow

*FROM* next May Day cottage industries and small family firms become legal, respectable and positively encouraged in the Soviet Union.

But the state is so nervously aware of the profound implications of this new reform that the fledgling private enterprises will be hedged around with restrictions.

Only housewives, pensioners, students and the disabled will be able to start offering their "individual labour activity." Anyone already in employment may only join in the fun in their spare time.

A total of 29 separate activities are to be legalised, from car repairs to toy-making, and painting and decorating to private tuition.

One effect of the changes will be to allow the state at last to tax these activities, which have been proceeding energetically, although illegally, for many years.

Another will be to provide some real competition for the slow, inefficient and grudging services provided by the state sector. Indeed, the Tass news agency commented on this in classic capitalist terms. The new private workers, it claimed, "will become serious competitors for the government's service sector, and make it improve faster."

The competition will be limited. The new family firms are restricted to members of a single family who live under one roof. Hired labour is forbidden, except that if growth comes there is another provision for the establishment of workers' cooperatives of up to 50 people, which are even to be given the opportunity of the Soviet system's first tax holiday to get them started.

The new law was passed last week by the Supreme Soviet, the country's parliament, whose members had considerably liberalised its provisions during preliminary sessions.

The deputies, for example, had argued that there should not be too much bureaucracy involved in obtaining permits to start a private business. A provision that permits should be granted by both the state labour committee and by the local town council, or Soviet, was rejected.

The new law was adopted after a review of the experience of other Socialist countries, and after taking account of the Soviet people's wishes, Mr Ivan Gladky, chairman of the state committee on labour, told the Supreme Court.

It was based on the following principles, he said: "That the state regulates individual labour and ensures its use in the interests of society; that all unwarranted restriction on such personal activities as are useful should be lifted; that incomes from individual labour should correspond to the input of personal work, and to the principle of social justice.

"This fully accords with the principles of the Socialist economy," Mr Gladky said. "It is obvious that the new law does not mean a return to any form of private enterprise, which some people in the West had hoped for."

But it is hard not to see the new law as the thin end of the entrepreneurial wedge. The prospect of making money through their own efforts, and without depending on the state, is an enticing one for the Soviet people — at least if the size and energy of their black market are anything to go by.

Much remains unclear. It has not yet been decided how — or indeed whether — these new private workers will have a right to a workshop, to transport, or to the raw materials of their trade. A system of financing to let them borrow money from the state banks to finance their stocks has yet to be devised.

It has not yet been determined whether the new private sector can sell direct to the shops, or to the state trading boards.

# Gorbachev stakes all on private enterprise incentives

HISTORIANS may some day decide that the month of November 1986 was almost as dramatic in its implications as that November of 1917 which put the Bolsheviks into power. The pace of economic reform has been hectic, by Soviet standards, since Mikhail Gorbachev came to power. This month, it became revolutionary, at least in potential.

On the face of it, the new freedom for individuals to set themselves up in cottage industry, and come together in small workers' co-ops, seems modest enough. On the basis of the limited experiments we have seen so far, the first fruits of the reform are likely to be small private retaurants, a host of small car service stations, private beauty parlours and dressmakers, painters and decorators and maintenance men.

This could slowly transform the quality of Soviet life. But the real effects of this reform will take some years to work through the system, and produce its first crop of Gorbachev's new rich. Hungary and Poland and China have already started down this road. One does not have to be a Marxist to recognise that affluent people soon start to hanker for political influence.

The Gorbachev reforms contain an inbuilt mechanism designed to limit the social effects of this. First, this new private enterprise is limited to individuals and family members. They are not allowed to employ (and in Soviet terms *exploit*) outsiders. We shall have to see how this works. Having in Georgia met members of "family farms" that included Granny's fourth cousin seven times removed, I suspect it could prove reasonably elastic. The Soviet Union is a country where little is legal, but everything is possible.

The second control machanism is that if a family firm wants to grow, it has to become a workers' co-op, which can contain from five to 50 partners. For the first time in the Soviet Union, a system of tax incentives is being introduced to help them get started. In the first year they will pay a tax of ten per cent on profits, rising to a maximum tax of 35 per cent in fourth and subsequent years.

A great deal of thought has evidently gone into working out how this kind of structure can fit into a command economy. At present, every Soviet factory depends upon a parent ministry, whether all-Soviet or local republican, or upon a state committee or some kind of parent and sponsoring institution. It is with and through the authority of this parent body that a factory gets its right to be supplied with raw materials, and to sell its products to the trade boards or to other factories.




*Mikhail Gorbachev — it's got to work.*

So a way has been found to let the co-ops fit into this. All factories have been given the right to sell off their surplus raw materials, or the by-products from their manufacturing process, to other factories or to the public — or to the new co-ops. The factories now also have been given the right, in a speech by Gorbachev but not so far in law, to sell anything they produce above the output demanded by the plan, to anyone they choose.

Some key problems remain. The co-ops and the private enterprises may now get their raw materials, but it is far from clear what rights they have to get warehouse or workshop or restaurant space in which to function. Nor is it yet clear where they are supposed to sell, in street markets or to the state retail shops or door to door. I already know of one would-be restaurateur who is trying in vain to find out where he can get hold of alcohol, nor is it clear that a worker can simply resign from his job to set up his small business.

But there is no denying the mood of proto-capitalist excitement and of controversy about all this. The newspaper Sovietskaya Rossiya recently printed a spate of angry letters that condemned the new entrepreneurs as "people who will plunder us on legal grounds. Our time of changes requires us to struggle with this intertia of thinking," retorted the paper's editors, and they went on to wax lyrical about the prospects for private co-ops to breed pedigree livestock, or, to build water pipelines to villages and instal a gas supply and sell off abandoned village houses to people who will restore the old buildings, grow vegetables on the land and generally bring back a touch of the rural idyll.

But there is a real point behind all this talk of economic reform. It is riding on the back of the social revolution brought about by 40 years of peace, and the 33 years of political stability since Stalin died. There are new professional classes, a much larger intelligentsia, and by Soviet standards a new prosperity that craves more than the drab GUM department store can provide.

Mikhail Gorbachev is but one of a million Soviet lawyers who have graduated into this society in the last three decades. His wife is but one of the huge army of academics and dons and lecturers spawned by the boom in higher education. The economists and media professionals are flourishing as never before under Gorbachev.

In the Brezhnev years of the 1960s and 1970s, the Soviet Union went through its own consumer boom, that has put a TV set and a refrigerator and a washing machine into the vast majority of Soviet homes. Those same years saw an unprecedented invasion of western cultural values, through rock music, clothes and magazines, and now videos. The growing number of western students and businessmen in the Soviet Union and the even faster growth of tourism has created new tastee and excited new potential markets.

And Brezhnev's good luck in presiding over the Soviet oil boom combined with the effect of Kosygin's earlier economic reforms to put a great deal more money into Soviet pockets, and into the saving banks accounts. Some 250,000 million roubles is sitting there and gaining a pitiful interest of about 2 per cent a year, waiting for new goods to buy, or if economic reform goes dramatically further, for something more profitable to invest in.

The Soviet system is now at a crossroads. Under Brezhnev, it probably reached the limits of growth of the old command economy, thanks to the oil bonanza which suddenly made large amounts of hard currency available from energy exports to the west. That permitted the country to finance a consumer boom, the defence budget and heavy imports of western grain and technology all at once. Those days are over, the fall in oil prices has cut hard currency earnings by over a third in the past year, so Gorbachev has little choice but to run the economy in a new way.

And Brezhnev's neglect of the basic industrial structure left the bulk of Soviet industry in dire straits.

In the seven years after 1975, they spent 50 billion dollars of their oil money on importing western technology — and failing to get western output or productivity from the investment. On British chemical plants, they were using fifty per cent more manpower to get less output.

The problem was partly one of management, partly of poor training of workforce, and partly that wry joke Soviet workers use to define their social contract "They pretend to pay us, and we pretend to work." Gorbachev hopes to crack this problem with a new system of payment by results, for each factory as a unit, and for individual workers on the shop floor. It goes against the grain of generations of centralised planning, and threatens new kinds of social problems in the long term.

But the difficulties of Soviet industry are more deep-rooted. One of the main reasons for poor quality goods is that most of them are turned out in the last few days of each month in a process known as "storming". Suppliers deliver spare parts and raw materials late, to meet the monthly plan target, the products are knocked together in a last-minute rush. Screws are banged into place with hammers, and control switches glued onto the casting without being connected because the target is raw output, not quality.

To control this, factories can be fined for failing to meet the delivery dates on their contracts, and the responsibility for quality control is being removed from factory managers and invested in a new state body.

It may work, although similar tinkering with the economic mechanism has failed in the past. And that is why the new forays into private enterprise are so important. They represent a fundamental change, a hesitant attempt at a new kind of economy altogether.

Perhaps the only reason why Gorbachev has got away with it, is that he can quote the precedent of Lenin's similar turn to private enterprise with NEP after the civil war. That restored the shattered economy to something like health within three years, but made private traders rich, spurred inflation, and hurt the poorer peasants. It was reversed, harshly, by Stalin.

Gorbachev's tentative experiment with a modern form of NEP could also go into reverse. But for that to happen, a lot more things will have to go wrong, or fail to go right in the Soviet economy. And in that case, Gorbachev would probably be forced into retirement.

This reform is not just a policy option he has chosen. Gorbachev and his entire administrative team are now stuck with it. Of all the incentives now being dangled before the Soviet economy like so many carrots, the most powerful is the incentive on Gorbachev's economic team to make it all work. If the reform programme fails, then so do they.







# Torture by Russians in Afghanistan

By Michael Simmons

SOVIET army officers in Afghanistan are taking part in torture sessions which have been "widespread and systematic" for the past six years, according to an Amnesty International report, published last week.

The organisation says that it has expressed its concern several times to the Afghan Government, and that it has written to President Gromyko in Moscow but has received no reply.

Its report calls on the Soviet Government to tell all officials, including members of the armed forces involved in the custody, interrogation and treatment of prisoners, that torture will not be tolerated "in any circumstances."

Amnesty also says that torture in Afghanistan is only one of its concerns. Others include extra-judicial executions "carried out by Soviet troops supported by Afghan military personnel"; the imprisonment of thousands of political penalty.

More than 100 death sentences were officially reported in the two years to last December.

"Some of the victims of extra-judicial executions are armed opponents of the government," Amnesty notes, "but many others are apparently non-combatants suspected only of sympathising with armed opposition groups."

Amnesty concedes that it has not interviewed victims of torture by armed opposition groups in the country, but says it is aware of reports that people taken prisoner by such groups have been tortured and executed.

It points out that international observers, such as those from the Red Cross, have been allowed "only the most limited access" to Afghanistan. Amnesty's evidence is derived from former political prisoners whose accounts have been checked and confirmed by interviews with former government officials.

"We have received recent confirmation that the pattern of torture described has continued into 1986," the report says.

On the involvement of Soviet personnel, Amnesty says the state information service, Khad, is reported to have Soviet advisers at its main offices, and that many of the testimonies given to Amnesty refer to a Soviet presence during torture sessions.

Wazir Akbar Khan, aged 26, a student held for several months until early last year, reported: "In all the interrogations Soviet officials were present. I could identify them from their faces and from their language. They all spoke in Russian, not in Dari.

"They normally act as advisers. They draft questions . . . The act of torture is done by the Khad agents. Soviets were present but they only gave orders . . ."

The treatment is said to include regular beatings, electric shocks to the body, burning with cigarettes and hair being torn from the scalp. Women are tortured and also made to watch men being tortured.

Among those held are former government officials, teachers, business people and students, many of them women. Many are held for months at a time, and later released without even being charged. Others are tried in revolutionary courts without access to a defence lawyer and without being allowed to call witnesses.

*Afghanistan: Torture of Political Prisoners, £2.50 from Amnesty International, 5 Roberts Place, London EC1R 0EJ.*

# New fighting in Timor

By Jill Jolliffe in Lisbon

THREE years after a ceasefire which brought temporary peace to Portugal's former colony of East Timor, war is raging there again, according to reports reaching Lisbon. The reports speak of waves of troops going in from Java, and a campaign of aerial bombardment.

In documents smuggled from the territory, the resistance movement Fretilin (the Revolutionary Front for the Liberation of East Timor) gives details of a new Indonesian army offensive which began in the middle of the year, aimed at capturing the guerrilla leader, Sha Na Na.

Its claim is backed by the Timorese Democratic Union (UDT), a more conservative pro-independence party, which said it had first-hand evidence of a massacre of villagers on the south coast of the island in reprisal for a successful Fretilin ambush nearby.

Indonesia invaded East Timor in 1975, when the Portuguese colonial administration abandoned the territory during a brief civil war which broke out after Lisbon announced a decolonisation programme. Since then, East Timor has been physically sealed off from the outside world, but regular news of fighting has trickled out.

Tens of thousands of the population of 650,000 are thought to have died in the early period of the invasion.

International human rights organisations estimated that a third of the 1975 population may have died by the end of 1978 — from starvation, bombardment or by execution. By early 1979, most of the founding leaders of Fretilin had been either killed or captured.

In 1980 documents reached Lisbon describing how five members of the old Fretilin leadership had evaded the Indonesian dragnet and re-built its organisation from scratch. The "five fugitives of the east," as they were known, were led by Jose Guamao Sha Na Na — a young public servant previously known more for his shyness than his toughness.

In 1983, the former Catholic Vicar-General of the Timor capital Dili, Msgr Martinho da Costa Lopes, arrived in Lisbon with news that, after eight years of war, Indonesia had negotiated a ceasefire with Sha Na Na. The guerrillas smuggled out photos, tape recordings and documents detailing the talks.

But the ceasefire broke down in August 1983. Refugees arriving here reported big new troop reinforcements and the Indonesian military chief, General Beni Murdani, announced that there would be "no mercy" for the guerrillas.

There has been a continuous offensive since then.

Despite the manpower expended, the offensive has not yielded results; Fretilin leaders resisted capture and Indonesia continued to suffer casualties, as it has since the guerrillas reorganised.

# Barclays invests in reality

THERE was, until this week, no British company more closely identified with South Africa than Barclays Bank. There is still today no country more closely involved with the South African economy than Britain. But the decision by Barclays, of all people, to sell up and get out is at least as significant for future British financial entanglement in apartheid as last year's move by the Chase Manhattan Bank to call in South African loans was for America's. Barclays got its exit-visa from the Anglo-American mining conglomerate, the second-largest shareholder in Barclays National Bank of South Africa, and several other Johannesburg institutions, which agreed to buy out the British bank. Barclays received about £166 million for its 40 per cent stake in "Barnat," worth some £200 million on paper. This represents a discount of one sixth, but in the circumstances that is a small price to pay for getting rid of an involvement which accounted for less than three per cent of Barclay's group profits — but which represented a growing handicap for its image and its prospects in other parts of the world, notably North America and not excluding Britain. Historically the abandoned investment brought in such handsome profits that the adverse final reckoning can be shrugged off by Barclays shareholders.

The decision to divest is by far the most spectacular demonstration up to now of the effect of the "hassle factor" on British investment. The hassle of staying on despite adverse consequences elsewhere has hitherto been almost exclusively an American dilemma. American companies tend to be larger, so that even a South African involvement substantial in money terms represents only a small percentage of a US corporation's total investment. British overall investment in South Africa is much greater than American in absolute terms, yet the individual companies concerned are usually smaller, and their stakes (and that of the British economy as a whole) therefore tend to be a much larger proportion of total exposure and income, a fact which makes it much harder to leave. But Barclays, which held 100 per cent of Barnat in 1973, let its stake fall below 50 percent just last year — the moment when, in truth, it became only a matter of time before they withdrew altogether.

Barclays said on Monday that its decision to up sticks was mainly commercial, supported by political and moral considerations. In the current worldwide debate about generalised sanctions against apartheid there has been much talk about their value as a means of sending messages to Pretoria. The bank's stated grounds for withdrawal, in which the political is inseparable from the commercial, could not be a clearer signal to the Botha regime. South Africa is no longer seen as a sound investment by Barclays, one of the world's largest and most successful banks. Its departure is clean, with none of the fudge attached to the earlier disengagement of General Motors and IBM, whose products will continue to be on sale in South Africa. The successor-company will have a different name and it is said that none of the 25,000 employees of all races will lose their jobs. Barclays' change of heart is food for thought for the "constructive engagement" school which defies reality by arguing exclusively for working for reform from within, and for the anti-sanctions lobby which says disengagement destroys African jobs.

If anyone deserves congratulation in the wake of the decision, it is surely the Anti-Apartheid Movement and its allies in decades of campaigning among students, and more recently public bodies, against doing business with the bank as a protest against the apartheid connection. A campaign stretching over decades, nagging, arguing, and gradually realising that, at last, its time had come. This was the home-grown hassle factor which, when added to the commercial and political worries arising from two years of unrest in South Africa and Barclays' American plans, tipped the scales in favour of strategic retreat. If morality played a part in the decision it was minor and rather late in the day: moral concerns are usually no more central to business calculations than they are to those of governments. When banks, those most conservative of business institutions, decide reconsider their position. The conversion of Barclays is as clear a signal to the British as to the South African Government. If the bank most deeply involved thinks it is time to get out of South Africa, shouldn't UK Ltd do the same?

# Parsimony to the Arts

HERE is an example of "the post-Fabian, Guardian consciousness of genteel academic collectivism" heavily derided by Sir William Rees-Mogg, chairman of the Arts Council, in his seminal IBM lecture in March, 1985, on the political economy of the arts. "We are disappointed that, in a time when the purse-strings have been loosened, the Government has ignored the strong and soundly reasoned arguments for greater investment in the arts." Thus Sir William last week, upon receiving the news that Mr Richard Luce, his sponsoring minister, has cut the council's grant in real terms. Sir Wiliam may have recanted from his elegant attack on the notion of subsidy some 20 months ago, but the inneffectual Mr Luce seems determined to press home the view of his critics that he is a member of a government composed of Philistines.

The figures themselves support the thesis that state spending on the arts will be cut: the Government's own public expenditure plans show a real reduction in the budget of the Office of Arts and Libraries in 1987/8 of 2.41 per cent and in 1988/9 of 1.23 per cent. And most commentators believe that inflation will be higher than the 3.5 per cent allowed for by Mr Luce. Next week the Arts Council will be forced to consider some painful options, since it has said it needs ended up with £138.4m. You don't have to cry wolf yet again to realise that the Government has threatened, through its candle-end approach, to kill one of the few gooses in British life laying golden eggs.

The Minister argues that arts administrators should be more cost-conscious and driven by marketing zeal but recent Rayner-style scrutinies have found little or no fat to cut. What's more, according to the council, the net cost to the public sector borrowing requirement of investing in one job in the arts industry is about the same (£2,070) as a special employment measure; its contribution to the Exchequer in VAT and tax goes a long way to neutralising its subsidy; its invisible earnings are upwards of £350 million; and its role in tourism is unquantifiable but high. But this "monetarist" argument cuts little ice in Whitehall.

Might Mr Luce then be better advised, since he appears incapable of either fighting the Treasury or satisfying the arts lobby, to rethink the whole Arts Council concept? Privatise the whole industry on the grounds that a thousand Count Esterhazys will bloom? Stop a quango wasting the poor taxpayers' money on its own (middle-class) favourite projects? There are powerful libertarian voices urging him to do so. And Labour and the Liberals want a root-and-branch reform of the 40-year-old body. But wait a minute. Hasn't the imperfect Arts Council presided over a positive floraison of the Arts in post-war Britain? Who seriously thinks that Educating Rita, which started life in a small RSC studio, would have ever got off the ground without a subsidy? No. Mr Luce's penny-pinching is self-defeating even on his own terms and leaves the rare lilies in the garden wilted.

# Courtroom slapstick in Sydney

THE LUNACY — and farce, and humiliation — grows day by day. In an Australian courtroom, Britain's most senior civil servant becomes a figure of fun, derided by judges and learned counsel alike, a punctured Pom. At Westminster, the Opposition mounts an increasingly vitriolic attack upon a Government whose passion for secrecy has become a thing of shreds and tatters. And, as the debacle grows, the search for scapegoats begins. Take one sentence of pure Lobbyspeak from The Times newspaper. "Whitehall sources made it clear that the Prime Minister had relied largely on the advice of Sir Michael Havers, the Attorney General, in deciding to proceed against Mr Peter Wright." The same Sir Michael, meantime, is alleged to have enjoyed a shooting party conversation some years ago with Mr Chapman Pincher, author of a book which made most of the allegations Mr Wright wishes to make in his (Australian) book — for the very simple reason that Wright briefed Pincher (and Mr Nigel West, another author, who turns out to be really called Allason, and an adopted Tory candidate to boot). Confused? You should be. Everyone else is (in a madcap world where The Times advocates the pursuit and muzzling of Mr Wright's memoirs "with the utmost vigilance" whilst Mr Rupert Murdoch reportedly lobs in a £150,000 offer for serialisation rights when the Aussie court does the decent thing).

It is time to take several steps back. The fiasco, in the way of these things, is fracturing into a scatter of backstairs brawls. (The rubbishing of Havers, for instance, for score-settling reasons conceivably not unadjacent to the stalwart, righteous role Sir Michael played in the Westland affair.) But try to keep the broader issues in mind. The people who run Britain — politicians, civil servants, judges — retain a traditional reverence for secrecy. But, increasingly, reverence and reality drift apart. The Official Secrets Act is not some neat, clinical tool. (Just breathe in this bag, sir, and if it turns puce you're a double agent.) It is a decrepit weapon demanding political discretion. Hapless junior civil servants may be prosecuted with impunity. But retired MI5 bigwigs chatting to pseudonymous Conservative candidates are much dodgier game. The system that fed, watered, and feted a known spy — Blunt — has obvious problems in dragooning dissident loyalists who want to spill the beans or write memoirs. And yet a line has to be drawn somewhere. Civil Service advice perennially exalts "the twin vultures of precedent and repercussion." If Peter Wright gets away with it, minister, others will follow. Something must be done — even if it rapidly degenerates into Sydney slapstick.

There is another way, of course: a fundamental way. Repeal the Official Secrets Act. Bring forward a Freedom of Information Act. Demystify and monitor the "secret" service by the kind of consistent parliamentary vetting of its activities — at privy counsellor level — that other Western countries easily contrive. Don't just *say* (pace Sir Robert) that MI5 and MI6 are subject to the law of the land. Prove it. Prosecute and discipline them openly, as necessary. And — above all — don't allow longer the official hypocrisy of sizzling the small fry whilst leaving the big fish free.

It could all be attempted. But there are mighty leaps of imagination (and desperation) needed. "No you can't take my picture. Who do you think you are?" roared Sir Robert as he left Heathrow. And then, pat, came the Downing Street spokesman of the day to the eleven o'clock Lobby, reading off the record a reply to Mr Kinnock on the Sydney shambles that Mrs Thatcher declines to make on the record to the House. We've a long, long road to travel; and our emperors, for the moment, have a clothes problem. *(Report page 3).*

# Mrs Aquino

*(Continued from page 1)*

month's murder of the country's most important leftist trade union leader. Her attempts to ease the desperate economic crisis by such means as getting aid from Japan were similarly jeopardised by the kidnapping of a key Japanese businessman in Manila in the same week. These and other destabilising crimes are widely attributed to an impatient group of middle-ranking officers who look to Mr Enrile (and may have grown too arrogant for him to control). Some of his allies have been murdered in their turn. The result is a growing polarisation of Right and Left with increasing readiness to resort to the political violence which became endemic under Marcos. This must now become Mrs Aquino's main concern in the brief respite Mr Enrile's defeat — which may well not be final — has brought her. She has proved her dedication to peace and reconciliation; she must now show what else she is made of. Sacking the whole cabinet, and giving the rebels a week to settle now that their enemy Enrile has gone, looks like a good start.

# The watch on the Rhine

THE Rhine is at once a road, a reservoir — and a sewer. Like many a lesser "working" river it is perpetually exposed to pollution. For clean-up campaigns to make gains, industry has to retreat (see the Thames and the Tyne and even the river Ruhr) — which does not mean we advocate unemployment as a cure for threatened waterways. At the upstream end of the Rhine are the Swiss, who are affected only by their own effluent; at the mouth are the Dutch, who are affected by everybody's, even Luxembourg's; in between are France and Germany, the two largest European industrial economies west of Russia. So when Swiss chemical companies, conveniently sited at Basle, right on the French and German borders with Switzerland, leak poison into the river and the Swiss fail to sound at once the international alarm, there is natural anger in long-suffering Holland. No country has a greater respect for water. But the rage in France and West Germany rings hollow. In 1969 a boat, never found, dumped enough insecticide into the solely German stretch of the Rhine to kill 4,000 tonnes of fish. Ten years later the West German Hoechst chemical group came under fire for serious pollution and a state minister had to resign because his officials had fed the company with warnings of official action. For more than ten years the Dutch and Germans tried in vain to get the French to stop dumping waste salts from mineral mining and hot water from nuclear reactors into the Rhine: the Dutch went to the lengths of recalling their ambassador when the French refused to ratify an anti-pollution convention for the river. When a scheme finally got going, the French had the cheek to ask the other Rhineside states to share the cost (and they were soft enough to agree). Those are only the most spectacular cases. At least after this month's disaster the Swiss President himself and the Sandoz company offered compensation. That the polluter must pay is the second principle of dealing with pollution. The first is that prevention is immeasurably better than cure.

Even if the Swiss police had hit the panic button at once instead of 24 hours later, what more would the French and the West Germans have done? What else could they do, apart from not drawing suspect water and standing on the banks to watch the 50-mile stain head for the Dutch border at a relentless five knots? They have *not said*. The Dutch at least have one advantage in being at the end of the lilne: they may get the worst accumulation of pollution but they also get the longest warning (if any), and on this occasion seem to have used it wisely. With thousands of factories, power stations, sewage and water-treatment plants, port installations, fuel stores and boats with dangerous cargoes scattered along its 820 miles, the Rhine is at risk daily. People have often forecast its biological death after past ecological disasters, only to be proved wrong; but its capacity to absorb such punishment must be finite, like every other natural resource on the planet. None of those living on its banks has the right to be sanctimonious or complacent. A properly protected environment come at the same price as liberty — eternal vigilance. In fact for disasters like this latest one there is no cure except prevention. The world's busiest and therefore most threatened waterway needs the world's toughest protection treaty. Is this still beyond the wit of the five highly sophisticated Rhineside states?



Le Monde

ENGLISH SECTION

# Boost for US's opponents inside Iran

THE GROWING opposition in Iran towards closer relations with the United States has scored a major triumph with the release, on bail, of Mehdi Hashemi and his brother Hadi. Mehdi Hashemi, a close aide of Ayatollah Montazeri and the leading advocate of a "strict and uncompromising worldwide Islamic revolution", was arrested in mid-October with several other Montazeri aides. His brother Hadi is Montazeri's son-in-law and head of the Pasdarans (Revolutionary Guards) section responsible for supervising Islamic liberation movements throughout the world.

Nobody doubts the significance of the Hashemi brothers' liberation. They had been accused of several crimes considered particularly serious in Iran. Early in October they had distributed handbills in Qom and Tehran condemning the "relations that certain leaders are having with the United States" and the "contacts established with American emissaries."

Pasdaran delegates attacked the attitude of their second-ranking leader, Colonel Sham Akhani. Interior Minister Mohtashemi and Minister of Intelligence Hojatoleslam Rayshahri, who organised and masterminded the campaign of repression against Montazeri's followers that followed the arrest of the Hashemi brothers. Some of the speakers in particular accused Rafsanjani's son, Ahmed Khomeini, and Sadegh Tabatabai, a highly influential aide of the Imam, of being behind the negotiations with the United States.

There is little doubt the congress of Islamic students has clearly strengthened Montazeri's hand. Imam Khomeini's designated successor, though shaken by the misfortune that had befallen the Hashemi brothers, has emerged stronger from the silent power struggle that has been going on over the past month between him and Rafsanjani and his son. He wisely let the storm blow over, offering no opposition to the arrests of people close to him. But he never went back on his position and tirelessly continued his anti-American harangues at the end of his daily theology classes at Qom, which was as good a way as any of keeping his followers wound up against the "Great American Satan" who is "the cause of all of Iran's misfortunes" and an element "tending to corrupt Muslims".

Montazeri takes care not to make any direct reference to the Rafsanjani group's negotiations with the United States, but his aides take every opportunity to point out that he is firmly opposed to them. The release of the Hashemi brothers on bail shows that the faction led by Montazeri still wields considerable power within the country despite the repression to which it is subject.

By Jean Gueyras

It is now clear that the contacts with the United States were known in radical circles in Qom and Tehran well before Majlis Speaker Hojatoleslam Hashemi Rafsanjani officially revealed in parliament early in November that President Reagan's former National Security adviser Robert C. McFarlane had been in Iran in September. Agitation was sharp in the Iranian capital's political and religious circles towards the end of October. Those who are now usually called "students of the Imam's line" decided to stage a symbolic occupation on November 4 — the anniversary of the seizure of the US embassy — of the Saudi Arabian and Kuwaiti diplomatic missions "to prevent any opening up towards the Americans."

That same day, a delegation of these "students" saw Rafsanjani and asked him to explain what was being prepared behind the scenes. It was in fact to appease them that early that afternoon the Majlis speaker gave the crowd assembled outside parliament his incredible version of McFarlane's arrival in Tehran. However the "students" were neither convinced by his explanations nor taken in by his assurances that McFarlane and his four companions were thrown out of Iran before they could meet Iranian leaders.

Nevertheless, the "students of the Imam's line" ended up by calling off their occupation of the Saudi and Kuwaiti embassies, but they did not give up their campaign of denouncing the policy of rapprochement with the "Great American Satan". The campaign culminated in a three-day extraordinary congress of Islamic students held in Tehran on November 14, 15 and 16.

During these proceedings, Montazeri's followers, most of than Pasdarans, students and members of the Majlis, were violently critical of the people responsible for the dialogue with the United States. Four senior foreign ministry employees were in particular accused of having negotiated with McFarlane: they are Deputy Foreign Minister Besharati; the head of the foreign ministry's political section, Lavasani; a former "student of the Imam's line", Sheikholeslam, who had become a junior minister in the foreign ministry; and Mohamed Ali Hadi Najafabadi, chairman of the Majlis foreign affairs commission. The "students" also revealed that McFarlane had made a first visit to Tehran on July 3, but had to cut short his stay at the Hilton Hotel because Islamic activists were planning to arrest him. Speakers at the extraordinary congress also accused Javid Nya, head of logistics in the Iranian air force, with having prepared McFarlane's September visit with the help of Farzin Azmi, an Iranian used as a middleman in arms purchases for the air force.

(November 21)

# Return of the entente cordiale?

COULD THIS be the end of a certain mésentente cordiale that has been reigning between Paris and London? It is tempting to think so in the wake of the 11th Anglo-French summit which brought British Prime Minister Margaret Thatcher to the French capital on Friday last week for a round of alternating talks — mandatory because of the power-sharing arrangement — with President Mitterrand and Prime Minister Chirac.

At any rate the warmth of the meetings provides a sharp contrast to the mood noted at the previous summit. True, at that time there were many more points of friction or rivalry between the two countries than there are today. They ranged from the Greenpeace case to the success of France's battlefield communications system, RITA, over the rival British Ptarmigan, and the Saudi Arabian air force's choice of the Mirage over the Tornado.

All that has now been forgotten and at the news conference she gave jointly with François Mitterrand, Margaret Thatcher could say the entente cordiale was "at its highest level" and announce that Prince Charles and Princess Diana would be coming to France to make an official visit in 1988.

What has contributed primarily to this rapprochement is doubtless less the favourable course of bilateral relations between the two countries than an event in which neither Paris nor London played a part — the Reykjavik meeting between President Ronald Reagan and Soviet leader Mikhail Gorbachev.

The fact that the leaders of the two superpowers had come so close

COMMENT

to clinching a deal over medium-range missiles deployed in Europe appears to have greatly helped France and Britain to strengthen their ties, for the two countries — which are also the only nuclear powers in Western Europe — realise how much they stand to lose in a development that would leave Europe's defence solely up to so-called conventional forces. "The next time one goes so far (as at Reykjavik), preliminary lengthy and thorough consultations (between the US adminstration and America's allies) will be necessary," considered Mitterrand. And Thatcher made it a point of reminding her French hosts that in her recent talks with Reagan she had held a brief not only for Britain, but for France as well.

Two subjects, however, cast their shadows over this idyllic picture — the Falklands conflict and the umpteenth row over sheep-meat imports, neither of which could be dissipated nor sidestepped. On the first issue, the French authorities made no secret that they intended to vote again at the United Nations in support of a resolution urging talks between Britain and Argentina on the future of the Falklands. On the second, Mitterrand confided: "We discussed the question, but we thought that the agriculture ministers could examine it again . . ."

But there would have to have been more than this to draw attention away from the agreement on basics. Even the agitation caused by France's accommodating attitude towards Syria after the Hindawi case appears to have subsided, and, as Margaret Thatcher pointed out, Westerners "shouldn't be tripping one another up" in combating terrorism. The mood in Paris on Friday was clearly more in favour of committed cooperation than unfair competition.

(November 23/24)

**Reports that Kim Il Sung, the veteran North Korean leader, had been shot dead bounced around the world last week. They originated with the South Korean Defence Ministry, which alleged it had got the information from the CIA and the high command of the American forces stationed in South Korea. The government-run Korean Broadcasting Service said North Korean loudspeakers installed along the demilitarized zone on the border between two countries had announced that North Korean Defence Minister General O Jun U was now in command of the country. Washington later denied it had any proof that Kim Il Sung had been assassinated. And Kim Il Sung himself reportedly later gave the lie to the stories by personally going to Pyongyang airport to greet Jambyn Batmonh, secretary-general of the Mongolian Communist Party, on his arrival for an official visit. But Korea-watchers in Japan are convinced something untoward did take place in Pyongyang, but that the Seoul authorities had in their nervousness jumped to hasty conclusions.**

# Kim Il Sung clinging tenaciously to power

By Philippe Pons

TOKYO — Tension along the 38th parallel separating the two Koreas has risen to a higher pitch since the beginning of the year. Inter-Korean talks have in fact remained stalled since Pyongyang's representatives quit the negotiation table in January. What's more, North Korea has undertaken a fresh diplomatic offensive aimed at getting American troops out of the South. Although it did not give rise to much debate at the last summit of the Non-Aligned Movement in Harare, this campaign combined with North Korea's hostility to the Olympics being held in Seoul in 1988 has created a mood of deep anxiety. And in South Korea, Chun Doo Hwan's government is making the most of this by playing heavily on the "threat" from the North to justify the repressive measures taken against the country's political opposition.

Relations between the two Koreas have deteriorated because of the result of the work undertaken by the North to build a huge dam to produce hydroelectricity on the Han river just north of the DMZ. The dam built at the foot of the Kungangsan (Diamond) mountain will hold a massive 20 billion tonnes of water and will thus constitute a gigantic "water bomb" threatening the South. A breach in the dam or opening its floodgates would cause unprecedented devastation in the Han basin, which is the most densely populated part of the country. On November 6, the South Korean Defence Minister threatened Pyongyang that his country would take unspecified measures in self-defence if North Korea continued the project.

The state of armed non-belligerence between the two Koreas is at the mercy of the least provocation. Every year, the United Nations command at Panmunjon on the 38th parallel lists innumerable North Korean breaches of the 1953 armistice. But the Korean peninsula also fits into the big powers' global strategies and this tends to stabilise the situation. For the moment, none of the big powers wants the tension to increase in Korea. While no one in the south — beginning with the Japanese — questions the United States's inclusion of the Republic of Korea in its strategic and defensive system, the situation is more complicated in that China and the USSR, both allies of Pyongyang, would each like to turn the People's Democratic Republic of Korea (PDRK) into its own satellite.

Marshal Kim Il Sung, who built up his personal power at the end of the '50s by getting rid of pro-Chinese and pro-Soviet factions within the Korean Workers' Party, has consistently demonstrated his political ingenuity by maintaining skilfully even-handed relations with his two main allies.

Even when Sino-Soviet relations were at their lowest ebb, North Korea succeeded in steering a neutral course. Pyongyang later unmistakably backed the Soviet invasion of Afghanistan, but at the same time Kim Il Sung played host to Prince Norodom Sihanouk, who symbolised the opposition to the Vietnamese invasion of Cambodia. Nevertheless, North Korea seems to have been tilting more towards Moscow in the last two years.

Kim Il Sung's visit to Moscow on October 2 (his last visit there, in 1984, was his first in 23 years) appeared to confirm the rapprochement with the USSR. This followed visits to Pyongyang by Soviet Foreign Minister Edvard Shevardnardze in July and Yuri F. Solovyev, an alternate member of the Politburo. But was it simply to meet Soviet leader Mikhail Gorbachev that Kim Il Sung undertook to travel to Moscow by plane (a mode of transport he is said to detest)?

Pyongyang most certainly needs to strengthen its ties with the Soviet bloc for obtaining economic, technical and financial aid that China cannot give it. The North Koreans also need to update their armaments to match South Korea's air force in particular. Moscow is said to have given Pyongyang 20 Mig-23s, as well as missiles and tanks. The USSR — which would like nothing better than to turn the PDRK into a satellite, a sort of Asian East Germany to offset the US presence in the South, but also to have an additional advantage in dealing with China — acceded to North Korea's requests. But in exchange for reciprocal benefits.

North Korea authorised the Soviets to use their air space particularly for flights between Siberia and Vietnam.

Pyongyang's leaders also seem to harbour some bitterness towards China for its accommodating attitude towards South Korea (indirect trade dealings between the two countries have been increasing and are now worth close to $1 billion). And in addition they share the Soviet Union's concern about possible military cooperation between China and the United States.

So long as Kim Il Sung is in command, it is difficult to see Pyongyang forsaking its even-handed approach to its two main allies. But North Korea also sees its diplomatic position weakening, especially in the non-aligned movement where Kim Il Sung had his sights on the leadership. The signing of a treaty of friendship and cooperation with Cuba in March at any rate testifies to Pyongyang's intention to establish closer relations with Moscow's allies in the Third World.

In China's view, the Korean peninsula's stability is a key element in the regional geopolitical equilibrium essential for carrying out its programme of modernisation. But there is no question of allowing the PDRK to become another Vietnam. So China, although it initially showed some irritation with the current succession momentum in North Korea, ended up accepting it, although Kim Il Sung's "son and heir" Kim Jong Il scarcely seems to look favourably on Peking.

Neither China nor the Soviet Union seems to wish to follow North Korea's lead and boycott the 1988 Seoul Olympics (but nobody has officially taken a stand). The Olympics will be a test of North Korea's diplomatic standing among its communist bloc allies.

(November 19)

# A 'superior' kind of terrorist

By Georges Marion and Edwy Plenel

**A third accusation of complicity in attempted murder has been filed against Georges Ibrahim Abdallah, the head of the FARL (Lebanese Armed Revolutionary Fractions) now held in a French prison. He has come to symbolise the development which has turned professional militants into the agents of Middle Eastern states which do not hesitate to manipulate the Palestinian cause.**

GEORGES ABDALLAH has been involved in armed action for the Palestinian cause since the late '60s. For years, while travelling around in the Middle East, Europe and even Asia, during a stay in China, he had rubbed shoulders with all the political tendencies of the Palestinian resistance and the European terrorist movement where members or allies of the West German Rote Armee Fraktion (RAF), Brigati Rossi (Red Brigades) and Action Directe activists are to be found. He became a professional terrorist.

If in the course of his career he has crossed the paths of such redoubtable names in terrorism as Wadih Haddad, Carlos and Abu Nidal; if, like them, he ended up offering his clandestine services to a few Arab countries (Algeria and Syria, in particular), his "style" has always marked him as different. Unlike Carlos, Georges Ibrahim Abdallah is no mere technician, haunting luxury hotels around the world, a bloodthirsty mercenary and a man fond of living it up. Speaking several languages (French, English, Italian and even Hebrew, in addition to his native Arab), Abdullah is a militant with unshakable convictions and possessing a real political culture. These characteristics make of him a man whose price is high — that of a leader, not a auxiliary — for friend and sponsor alike.

This is the authentic Abdallah. Around 1980, after much wandering in pro-Palestinian organisations, he founded FARL. On January 19, 1982, FARL proclaimed itself publicly by claiming responsibility for its first killing, that of the US military attaché Charles Ray in Paris.

In that same message, FARL also claimed responsibility for the November 12, 1981 attempt in Paris to kill another US diplomat, Christian Chapman. In 1983, when the FARL's activities were at their peak, the entire Abdallah family — possibly with the exception of Emile — were in France: Salem, Joseph, Georges, Maurice and Robert. On December 12, 1983 Maurice put his name down for a course in French language and culture at Lyons University's Catholic faculty. He passed a general knowledge test. "He was about average," recalls Father Defoix, the rector. True, studies were not really what Maurice had on his mind. No sooner did he register himself and his girl-friend Férial Daher, (fees F3,500 — £350) in cash, obtain a student card and find a down-at-heel lodging in Meyzieux, an outer suburb of Lyons, than he legalised his presence in France and dropped out of sight. He was never seen again in the faculty.

A year later, the same scenario in Brussels. Maurice and Robert Abdallah enrolled at the Institut Supérieur d'Eat de Traducteurs et Interprètes. The institute's director has not still got over his surprise: "They weren't very visible at the courses. What stuck us was that they immediately put down the money for the registration fees, though they were high — FB60,000 (about £1,000) per student.

FARL's first communiqués were printed by DOCOM, which was Pierre Carette's printing works. Ties symbolised by the choice of the same lawyer — Jean-Paul Mazurier of the Paris Bar — by Georges Abdallah, Frédéric Oriach, Pierre Carette and Joséphine Abdo (a FARL member convicted and imprisoned in Italy).

Georges' elder brother Joseph appears to be the only student who completed his studies. In 1983, under the coaching of Pierre Fougeyrollas, professor of psychology at Paris VII, he argued a doctoral thesis on "The Political Balance of Power in Kobayat" (the Abdallahs' home-town in Lebanon). "I saw him four times," says Professor Fougeyrollas. "He was just another Lebanese student."

Joseph is apparently the family "thinker". The same turns of phrase he used in his thesis are to be found in the communiqués claiming responsibility for the September bombings in Paris and the demands that Georges be freed.

*Continued on page 13*

# 'Rent-a-wreck' anathema for France's status-conscious drivers

By Alain Faujas

IN THE United States, a firm specialising in used car rentals audaciously calls itself Rent-a-Wreck. Jean-Yves Vigouroux, whose company ADA is the first to try out this new market in France, prefers to sell his product with the more straightforward slogan "Rent a used car and halve your bill". His approach seems to be paying off, too, because ADA has been rapidly extending its network of branches all over France and increasing its fleet of second-hand cars and commercial vehicles.

Vigouroux, now 41, had a varied career before setting up ADA. With his qualifications (degrees in literature and marketing), he was able to shift effortlessly from history and geography teaching to banking, and from banking to the marketing department of a house-building firm, before doing a spot of insurance-broking and, at the same time, running four motor repair shops.

It's not that he was a drifter, but he just wanted to "start something up on his own". And before doing that he preferred to test the water in various business sectors so that he could come up with *the* great idea.

That idea — used car rental — hit him in 1983. He went to the United States and Canada to make sure it was the kind of operation that would work in France, where people are still very attached to a certain image of the automobile and would be put off by the use of a word like "wreck".

The same year, Vigouroux opened his first branch in his home town of Brest, in Brittany. Only a few months later, he set up the ADA network, with a branch of Livry-Gargan, in the Paris suburbs, and another in Perpignan, in the southwest.

Things moved fast after that: ADA now boasts 24 branches, a pretax turnover of 19 million francs (about £2 million), a fleet of 500 vehicles and some 26,000 customers.

From a marketing point of view, the idea looked great on paper, but it was not as easy as all that to bring off. "I couldn't just copy the Americans," says Vigouroux. "Their cars are more robust. The price of second-hand cars compared with new ones is lower than over here. American drivers take more care of their cars. So we've given special attention to our fleet. We only buy vehicles that are between two and five years old and keep them for a maximum of one year or 15,000 kilometres. They are thoroughly serviced every 5,000 kilometres, and 130 points are checked. We guarantee each one of those points.

"By paying roughly 30 per cent less for our vehicles than firms that rent out new cars, and by selling them at the optimum time, we can offer rates that are 40-50 per cent below the lowest rates available from the big car hire groups."

Vigouroux offers cars like the Peugeot 104, Renault 5 and Citroën Visa for 69 francs (about £7.20) a day plus a mileage charge of 0.75 francs (about 8p) per kilometre. At the other end of the scale the Renault 30TX and even some Mercedes models are offered at about twice that rate.

To convince potential customers that used cars are just as reliable as new ones, ADA insures all its customers with Mondial Assistance, which, if the hired vehicle breaks down, undertakes to provide, within two hours, a replacement vehicle for up to five days.

A bonus is that ADA does not impose a minimum age requirement on its customers. On the other hand, it does not provide for "one-way" rentals, where the customer can pick up a vehicle in one place and leave it in another.

Vigouroux, who has his sights set on 100 branches by 1990, would like to be able to convince people in the motor trade in small towns, like garage owners and insurance brokers, to go into the used car rental business. As they already run well established businesses, rental would result in a more profitable use of their premises and staff.

(October 29)








# Idyll in a clean and pleasant land

New Zealand Notebook by Alain Hervé

MY first contact with the New Zealanders came the moment the French aircraft taking me from Nouméa in New Caledonia to Auckland landed. After being warned by the stewards not to leave our seats until we had been sprayed, we were duly disinfected by a commando of health officials whose job it is to prevent any marauding alien germs from contaminating New Zealand's clean and pleasant land.

I had taken the opportunity during the flight to reread Samuel Butler's book "Erewhon" (an anagram of "nowhere"), which was published in 1872. Erewhon is a kind of imaginary, utopian New Zealand. Its inhabitants have turned their backs on the hurly-burly of the industrial revolution and decided to construct an ideal agrarian civilisation cut off from the rest of the world. They are fine upstanding men and women with very large families. They till fertile plains at the foot of snowcapped peaks.

"Erewhon" is a philosophical fable written in a rather Swiftian style. The son of a clergyman, Butler — who later turned his hand to painting and composing — was influenced by Jean-Baptiste Lamarck and believed in the theory of evolution.

In 1859 he set out for New Zealand and started farming. In an idyllic valley which he called Mesopotamia, he reared sheep for four years. His house — his "hutch" — was small, yet roomy enough to accommodate his books and his piano, on which he played Bach fugues and composed in the Handelian manner. He did not have to worry about disturbing the neighbours, as the nearest human habitation was 20 miles away. It was there that he took notes for "Erewhon".

I suppose that somewhere in the back of all our minds there is a virgin territory, like Butler's New Zealand, to which we dream of escaping after the next nuclear accident (this time, no doubt, closer to home) — an innocent sun-drenched land dotted with fleecy lambs and dinky modern houses with every Scandinavian mod con, a nation miraculously endowed with all the benefits of Western civilisation — affluence, sporting facilities, social security, motorways and so on — without being lumbered with any of the disadvantages of progress.

***New Zealand is not a country one visits like a tourist. Its superb scenery needs to be savoured slowly, to be scoured as though one were a pioneer in search of somewhere to start a new life.***

Reality, alas, is somewhat different. The big problem, for example, in Auckland, the city where a quarter of the country's 3,200,000 inhabitants live, is the glare from its glass-covered skyscrapers which dazzles motorists. In the last 10 years, much fine colonial architecture has been pulled down to make way for a kind of soulless Los Angeles. It is almost as if the country were ashamed of its past.

The narrator in "Erewhon" says at one point:

"A wool-shed is a roomy place, built somewhat on the same plan as a cathedral, with aisles on either side full of pens for the sheep, a great nave, at the upper end of which the shearers work, and a further space for wool sorters and packers. It always refreshed me with a semblance of antiquity (precious in a new country), though I very well knew that the oldest wool-shed in the settlement was not more than seven years old, while this was only two."



*Fishing on the North Mavora Lake, Southland.*

I wonder whether that semblance — or illusion — was not exclusively European. The inhabitants and even the landscape of New Zealand lack one vital dimension, that of time.

New Zealand is not a country one visits like a tourist. Its superb scenery needs to be savoured slowly, to be scoured as though one were a pioneer in search of somewhere to start a new life.

During the two months I spent there, I fell in love with two places. The first was Puhio, a small valley north of Auckland inhabited by Czechs and Bohemians who emigrated there at the turn of the century to work as lumbermen. They felled kauris, a species of conifer that soars to an immense height before sprouting branches. The honey-coloured, knot-free wood of the kauri was widely used in the buildings of San Francisco before the great fire in 1906.

Downtown Puhoi, which is built on a tidal estuary, consists of three buildings, including a pub and a Lilliputian lending library with a red roof and brand new stucco. The day I visited the place — a Sunday — a woman was playing the accordian to a crowd of admirers in the pub.

The second place that took my fancy was Coromandel peninsula, which took its Indian name (the Coromandel Coast is in the Bay of Bengal) from the first ship that put in there. Some inhabitants still remember the gold rush, which began in 1852. The whole area was gone over with a fine-tooth comb by hundreds of "gentlemen diggers", as one of them is described on a gravestone in Ferry Landing.

More recently Coromandel became the refuge of drop-outs seeking "to escape urban pollution and the devastation of the countryside by industrialised agriculture". The cooperatives set up there in about 1970 are still in operation.

The atmosphere in Colville General Store, which sells anything from boots and pickaxes to guitars and biologically grown pill nuts, is strongly reminiscent of Big Sur as described by Richard Brautigan. There is a notice which reads: "The staff reserve the right not to serve anyone they do not like the look of."

Writer Catherine Delahunty and her potter husband live there in an old stone house — something of a rarity in New Zealand. Four different species of bamboo grow in their front garden. Catherine is a member of an environmental watchdog organisation which is opposed to plans to rework the gold mines on an industrial scale.

"This time they would take the whole mountain apart and put it through the crusher, as the ore has a low gold content. We were attracted here by the powerful landscape and we don't want to see it destroyed." A green sticker in shop windows symbolises local resistance to the mining companies, which, it is suspected, have South African backing.

I stayed at the Colville Motel. Bed and breakfast — the latter shared by a horse which stuck its head through the window — came to 30 NZ dollars (about £11) Then I set off to hike across the northern tip of the peninsula from Fletcher Bay, where the road comes to an end.

The terrain is rugged and steep. The path goes over headlands covered with nikau trees, New Zealand's indigenous species of palm-trees, and runs down to creeks lined with pohutekawas trees with red blossoms that belong to the eucalyptus family. I was followed by a scolding fantail. After a four-hour walk I stopped for a picnic. The arm of the sea that came in between two strikingly green wooded outcrops sparkled in the sun. If ever there was an idyllic spot on earth this was it. I continued my walk in a state of exhilaration — and soon returned to civilisation, with its people and its traffic, at Port Charles.

***"When the Maoris rebelled from 1860 to 1864, they were crushed, and their land was stolen by legal chicanery. They lost their identity and their status. Since 1950, they have been making a comeback."***

When I got back to Auckland I arranged to meet Ken Piddington, the high commissioner for the environment, who speaks perfect French and is well acquainted with French literature. He made a friendly dig at the French, (who have got a very bad name in the whole of the South Pacific as a result of their nuclear testing at Moruroa and the Greenpeace affair), and then went on to more serious matters.

"You have to remember that everything is new here," he said. "There's nothing you can see that's more than 100 years old. We don't want to make the same mistakes as the Europeans. Our environment here is a dynamic one, both geologically — Auckland is built on 64 cones of extinct volcanoes — and socially. This is a country of immigrants.

"The Maoris came here from South-east Asia via New Guinea some 600 years ago. The pakehas (the Maori term for whites) arrived en masse only 100 years ago. Today's immigrants are Laotians, Polynesians and Chinese refugees."

Rangi Walker, a Maori ethnologist, teaches in the department of continuing education in Auckland University. A fast talker, he is an engaging if not very forthcoming man. "The Maoris are now at the bottom of the heap," he said. "Other New Zealanders are upwardly mobile. *They* are the people who write the history of New Zealand and are in charge of its politics. Whatever they may say, it's an absolutely classical case of colonialism.

"The very first whites who came here, in about 1790, were all men. There was no discrimination, as they needed women. Economic domination began towards 1860, and was backed up by claims that the natives were being saved by Christianity. But their political participation was a sham.

"When the Maoris rebelled from 1860 to 1864, they were crushed, and their land was stolen by legal chicanery. They lost their identity and their status. Since 1950, they have been making a comeback, rediscovering their identity through cultural associations and setting up urban Marae (ancestors' homes). There are now 25 such homes in Auckland.

"Since 1970, we've seen the rise of so-called 'urban gangs', 'activist students' and 'Nga Tamatoa young fighters', and there have been calls to bring back the Maori language into primary schools. On February 6 every year, they demonstrate against the Treaty of Waitangi, through which the Maoris, without realising it, signed away their sovereignty to Queen Victoria. That treaty was a swindle. I hasten to add that I'm a moderate."

A few days after our meeting, Queen Elizabeth was greeted by a barrage of rotten eggs and a display of bare bottoms.

Maori nationalists, who call themselves conservatives rather than revolutionaries because they want to conserve their culture, often have women as spokespersons. One of them, Atareta Poananga, expresses the credo of the Te Ahikaa movement as follows: "True land ownership is the result of being born on it, of keeping the fires lit and the earth warm. The fires have never stopped burning since our ancestors arrived in this country. The fires never went out during the oppression. The flame will not be extinguished. The flame is strong. It is burning everywhere."

Another Maori pasionaria, Donna Awatere, puts her philosophy like this: "Every people has the right to dream dreams, to believe in them, and to make them come true."

In 1872, Butler wrote in "Erewhon": "I dreamed there was an organ placed in my master's wool-shed: the wool-shed faded away, and the organ seemed to grow and grow amid a blaze of brilliant light, till it became like a golden city upon the side of a mountain, with rows upon rows of pipes set in cliffs and precipices, one above the other, and in mysterious caverns, like that of Fingal, within whose depths I could see the burnished pillars gleaming."

## Terrorist

*Continued from page 12*

Moreover, Joseph has always claimed to belong to the Progressive Socialist Party (PSP), one of whose members — Habib Chartouni — was the assassin of Bechir Gemayel in 1982.

There remains the eldest brother, Salem — the only figure in the family who remains mysterious. A merchant sailor who in 1972 married a French teacher whom he met in Lebanon and the father of two children, he had been living in France since the mid -1970s. Naturalised French in 1978, he was allowed to change his name to Sylvain Dalain. Joseph visited him at his home in a Hauts-de-Seine low-rent housing estate. Georges turned to him for help in renting an apartment. Then tragedy struck on June 30, 1983. Salem/Sylvain committed suicide with a riot gun after killing his wife before the eyes of his children and father-in-law because he suspected her of wanting a divorce.

Tried and sentenced to four years in prison in July 1984, Georges Ibrahim Abdallah faces further charges today. In September Justice Minister Albin Chalandon said the trial could begin in February 1987. He is more cautious today.

In fact, new problems have arisen. Gilles Boulouque, the Paris investigating magistrate handling the Abdallah case, has just charged the FARL leader with complicity in the attempted murder of Robert Onan Homme, the US consul-general in Strasbourg, on March 26, 1984.

(November 21)

# Action Directe renews its bloody campaign

**Georges Besse, 58, head of the nationalised motor firm Renault, was killed at about 8pm on Monday last week by two people who walked up to him and shot him at least three times as he was walking towards his apartment at 16 Boulevard Edgar-Quinet in Paris's 14th arrondissement. He was returning from work and had left his chauffeur-driven company car about 50 metres away. The next day responsibility for the crime was claimed by Action Directe, and police believe that the killing carries all the hallmarks of this hard-left terrorist group.**

GEORGES BESSE'S killers showed skill in drawing public attention to their crime by waiting until the current uproar over so-called international terrorism (the September wave of bombings in Paris) had died down to carry out their action. Here, they have succeeded. The cowardliness of the assassination has struck home. But what are they trying to convey? Horror? Madness?

The 9mm bullets that killed Besse were apparently fired by two young women speaking French without a foreign accent. Government officials and investigators were shattered and immediately suggested it was probably the work of the terrorist group Action Directe.

It seems certain now that Besse's killers are indeed members of Action Directe, and antiterrorist specialists will draw at least three immediate conclusions from the crime:

First, the "lull" in the killings is over. For almost eight months Action Directe had not resumed what it calls a "West European offensive against imperialism". As a matter of fact, the last such serious criminal act for which the group claimed responsibility came to nothing. Caught in a well-planned ambush in April this year on the steps of his own villa, Guy Brana, vice-president of the CNPF (French Employers' Federation), miraculously escaped with his life. Since 1985, the group has adopted a new "political" line of taking the lives of the country's key officials in the army and the economy. In January 1985, for example, a commando fired point-blank at Engineer General René Audran, killing him instantly; then again in June 1985 there was an attempt to assassinate Henri Blandin, the armed services comptroller-general.

Also during this period members of the underground group, which the government had originally disbanded in August 1982, carried out some particularly vicious bombing attacks, like those against the Interpol headquarters in May and the OECD offices in July.

Besse's assassination would therefore appear to confirm what the police had been dreading — a resumption by the group of assassinations in France using the justification that "a human life is not an absolute in itself, a mythical value", to borrow a phrase used by the Belgian terrorist group, CCC (Communist Combatant Cells), which is a particularly close ally of Action Directe.

Secondly, the renewed challenge. If the authorities blamed Besse's murder on Action Directe even before having any proof, it was in fact because of the various signals they have been getting in recent days. The heads of all big publicly owned corporations and a select group of senior civil servants — especially in the army and industry —, have for several months now been getting warnings to take care. They have been offered personal protection, which Besse apparently turned down because he did not want to be hampered in his movements.

So we see the terrorists had picked as their "target" not only a man considered to be one of France's best business leaders by fellow top managers, but also one of the most vulnerable because he was the least protected. Besse's chauffeur-cum-bodyguard let him out only a few metres from his apartment at No 16, Boulevard Edgar-Quinet.

It is also pointed out that Action Directe took good care not to carry out spectacular terrorist acts during recent periods when France was the victim of Middle East terrorism. It was as if the French group

**By Laurent Greilsamer**

did not want to run the risk of not having its message heard.

Thirdly, until now, Action Directe's "internationalist" group has been striking specifically at targets with direct links to international organisations (NATO, OECD, Interpol and so on) or at men who seem to stand for an international policy. The first shift was noted in April with the attempted assassination of the CNPF vice-president. This time, Action Directe appears to have moved away even further from its "European" policy and switched to a French context in taking up the "defence" of Renault employees, for example. This was the line that the "internationalist" branch took in the '70s and early '80s; claiming to combat "the forces oppressing" immigrants, the unemployed and society's rejects: it would undertake bombings but avoid injuries to people, or spray the fronts of buildings like the headquarters of the CNPF or the Ministry of Cooperation with submachine-gun fire.

It is a measure of the radicalisation that Action Directe has undergone since its foundation in 1979 by several hard-left activists, including Jean-Marc Rouillan, who had been scarred by the struggle against Franco. The group gradually became harder and split into two broad tendencies. In 1982, a schism gave rise to the emergence of a "national" branch which has carried out most of the attacks claimed by Action Directe and an "internationalist" branch which is probably more radical.

The "national" branch is now fairly well known to the police who felt they had dealt the organisation a decisive blow in March. The arrest of André Olivier, who had been living underground, and the seizure of his voluminous stock of records helped the police to charge some ten people, though Maxime Frérot, one of the group's leaders, is still at large.

The police have had less luck with the "internationalist" branch, which has become steadily stronger and more international in character since 1983. Initially, its members joined with the Italian terrorists of the Primea Linea and the COLP (Communists Organised for Liberating the Proletariat), carrying out, among other things, many hold-ups to finance their underground activities. In 1984, Jean-Marc Rouillan, Nathalie Ménigon and Joëlle Aubron, among others, joined up with the Belgian-based CCC. Finally, 1985 saw the "official" merger of Action Directe and the West German Rote Armee Fraktion.

The French group's move into Euroterrorism has naturally been closely followed by specialist police forces. In December 1985, the official heading France's anti-terrorist campaign, François Le Mouël, pointed out in a *note* sent to the then Minister of the Interior, Pierre Joxe: "The year 1985 has been marked by the escalation in the gravity of attacks carried out and claimed by Action Directe." He expressly deplored the fact that the police no longer had any informers working inside the terrorist hard-core.

An absence that is doubly worrying as the "internationalist" branch has grown very elusive. The most recent traces of the group were picked up in Belgium late last year when several CCC members were arrested. Belgian police then told the French that the fingerprints of Rouillan, Ménigon and Aubron had been found in hideouts used by Pierre Carette, CCC's presumed leader. Investigators now believe that Action Directe's leading figures have fallen back on West Germany, from where they occasionally emerge to carry out attacks in France that in all probability are prepared by other less actively sought members.

(November 19)





The Washington Post

## Levelling With Congress

TIGHTEN THE requirements for informing Congress of covert operations, say some critics of President Reagan's failure to give timely notice of his Iran exercise. But the problem is not that the requirements in the 1980 Intelligence Oversight Act are too loose. The problem is that the White House broke the compact (consultation in return for secrecy) that the two branches made on the basis of three administrations' worth of inquiry and argument.

The 1980 law came out of a Vietnam-era battle over foreign policy prerogatives. But Congress had more in mind than tending to presidential abuses and cutting back on executive discretion. The legislation also reflected an intention to give the president the several benefits of consultation with Congress — its counsel and its acceptance of joint responsibility for risk-taking. The law covers, by the way, not simply the CIA but also "all departments, agencies, and other entities of the United States involved in intelligence activities." So much for the contention that the administration had no formal obligation to consult Congress on Iran because the job was being done in part by the National Security Council.

Even when, some months after the NSC began the mission, Mr. Reagan formally brought the CIA into it, he let 10 months pass before notifying the two intelligence committees. Ten months does not seem to meet either the law's general requirement to keep the committees "fully and currently informed" or its special requirement to give "timely' notice of intelligence operations of which prior notice was not given.

keep a secret. But this necessary concern about security was thrashed out in the 1980 law. It even anticipated "extraordinary circumstances" in which prior notice would be given to just eight key legislators. This was the way designed to give a president the benefit of outside congressional advice and to reduce the possibility of leaks, leaks at the congressional end, that is.

Congress, as well as the executive branch, exhibits some historical amnesia about the law. But it was good when it was enacted, and it is good now. There are real constitutional, political and procedural difficulties in any attempt to draw the language more tightly or to punish the president otherwise — by, for instance, making the national security adviser subject to Senate confirmation. The national interest has suffered from the administration's failure to respect the accountability provisions of the law, and it is paying heavily for the lapse. Does the president really need more convincing on why he should level with Congress?

## An Unconvincing Performance

A SECOND TIME President Reagan has tried to assuage concern over his handling of the Iran affair. A second time he largely failed. A huge amount of material on this matter has come into public view: allegations and leaks, backgrounders and briefings, statements and press conferences, sidesteppings and finger-pointings. In an important sense, however, more turns out to be less. The material is contradictory, incomplete, inconsistent. The government has yet to produce a single structured account of the hostage-arms-diplomacy connection. People still want to know what went on. And Mr. Reagan's answers last week were unavailing.

The press conference by its very nature is the wrong method of eliciting such an account. A number of uncoordinated questioners unable to pursue a single line of questioning to its conclusion necessarily produces an unsatisfactory result. There should be many more presidential press conferences and on a regular basis too, but not with the idea that they will ever be able to establish a record of what happened in an episode such as this. Presumably, if the administration does not produce some sort of complete accounting, the congressional hearings will be the first to get the answers to the questions agitating argument now.

Because there is so much more to learn and because the narratives and explanations to date have so many built-in flaws and lapses of logic, it is still only possible to offer surmises as to what happened. But several things strongly suggest themselves. One is that despite the plausible justification for the policy — that is the argument that the United States should try to get into some constructive and useful relationship with elements of the leadership in Iran — the operation itself that was meant to put this into effect was a fiasco and a farce. All presidents (like everyone else) have weaknesses and strengths. A good presidential staff does not do what this one self-evidently did: play to his weaknesses, fail to protect against them or warn him or try to dissuade him from his path. They self-evidently also did not use their head in pursuing the operation. They let the Iranians make fools of them. And President Reagan does not seem to have been compelled or even invited along the way to take account of what was happening and of its perils with a view to calling the whole thing off.

Now there is much acrimony among these participants and an almost competitive rush to suggest that this one or that one really was much more involved than he says or much more derelict in his duty and so on. It became plain at the press conference that President Reagan needs now and will need for the next two years a much stronger and brighter and more seasoned team than he has. Less than ever can he afford advisors who are not of the first rank. Mr. Reagan rejected the best advice he got when the Iranian adventure was being worked up, advice that came from his secretaries of state and defense. Well, presidents sometimes do that. But what gets clearer is that he was not provided with the essential information as to what was wrong with the course he chose or how inadequate was the basis on which he was proceeding. That is a chief of staff and national security adviser's combined job.

Donald Regan and John Poindexter have much to answer for. What was so disturbing about his press conference was that it did not seem as though the president understood this to be so. Mr. Reagan does not need a long congressional inquisition into the way he makes foreign policy. He needs to show he understands something has gone wrong. The way to do it is to shake up the White House staff.

## All Alone On The Parapet

**By Robert G. Kaiser**

WASHINGTON — In just a few days of late November 1986, President Reagan's inner circle appears to have lost the deference of the American political establishment.

With stunning speed, the most popular — and most resilient — president of modern times has been humbled by a sequence of events unlike any in his presidency: the revelation of a profoundly unpopular secret policy, a presidential speech to the nation and a news conference on its heels that, according to polls, made matters worse, followed by an extraordinary display of backstabbing among his aides that has left Reagan by himself at the eye of the storm.

As Henry A. Kissinger put it on Sunday, "in the middle of a crisis, the president is all alone on a the White House chief of staff, put it in an earlier interview, the president courageously offered to take full responsibility for the Iran flap, and "we allowed him to do it."

"Right now," said Sen. Robert J. Dole, R-Kan., speaking of President Reagan's entourage, "they ought to circle the wagons — either that or let a couple of the wagons go over the cliff."

Political Washington is rarely so unanimous as it was last weekend in its perception of the president's difficulties. Hardly a voice could be heard speaking up for Reagan or praising his handling of the last two weeks' events. Sen. Richard G. Lugar, R-Ind., for one, defended the president after his first speech, but abandoned that posture after the news conference, and joined the critics.

Pundit after pundit has instructed the president to dismiss one, two or three of his principal associates. Reagan's oldest, closest advisers have concluded that this is the darkest hour of his political career, and many of them are scrambling to try to persuade their leader to take Dole's advice and throw a few wagons off the cliff. Even Nancy Reagan is described as one of the critics of her husband's team.

What sets this political crisis apart is that it has been so sorely aggravated by Reagan's failure to do what he has usually done best: communicate directly to the American public. The traditional expectation that Reagan could talk his way out of trouble is, at least temporarily, no longer operative.

Kissinger spoke of this Sunday: "I think this administration has been extremely lucky for six years that it has not had a major crisis, and has not had to shake itself cy to rely on public relations as a means of solving immediate problems. . . ."

So how will a president who has been so remarkably resilient in the past get out of this mess? A great many politicians obviously expect him to offer up at least one sacrificial lamb. But there is also a widespread belief, expressed by numerous Republicans as well as Democrats, that the president must acknowledge error to restore his high standing in the country.

"The president was well intentioned, well motivated," Dole said in a remark he could not have made at any previous moment in the Reagan presidency, "but let's face it, that isn't going to wash." Dole acknowledged that he felt misled by the White House briefing for congressional leaders, which — he discovered at the end of the week — was far from a full account of the Iran operation. Sen. Daniel Patrick Moynihan, D-N.Y., said the intelligence committee briefing he heard Friday was unbelievable — and he didn't believe it. Sen. Sam Nunn, D-Ga., who also heard that secret briefing, said: "The difficulty in this situation is, no single group of players seem to know the whole story."

So the prospect is that more information will be leaking out in a slow drip in the days and weeks ahead. That will keep the story alive, and keep the White House on the defensive. The president will be harassed by reporters hungry for more information, and he will be doubted by politicians in this capital who — at least for the moment — don't think Reagan can get away with hanging tough.

Surely Reagan can try to ride out this storm without admitting a mistake or firing his key associates. He already has lost the firm' with the Democrats, and his no matter what his critics or the opinion polls say.

But what sort of final two years does the president want to have? Drew Lewis, favored by some of Reagan's inner circle as a new chief of staff, was described Saturday as reluctant to take that job unless the president is genuinely eager to confront the serious problems now facing him, from arms control to the budget deficit.

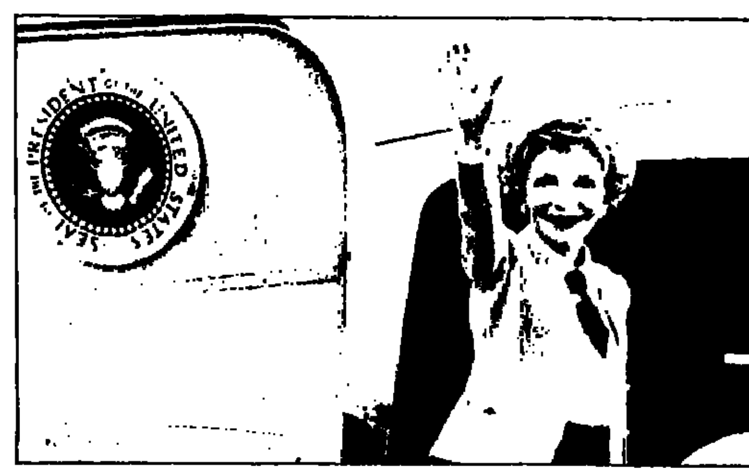
Any strong successor to Regan would want such an assurance, and Reagan may well be reluctant to give it. If he refuses, the chief of staff who has compared himself to a member of "a shovel brigade that follows a parade down Main Street cleaning up" could remain in place for two more years — with George P. Shultz at the State Department and John M. Poindexter at the National Security Council.

"The next step," Dole said, "is to try to . . . remove some of the problem, and that's going to be (up to) the president."

## Nancy Reagan Wants Shake-up

**By David Hoffman and Lou Cannon**

WASHINGTON — A group of longtime California supporters of President Reagan, responding to what one of them called "the worst hour in the president's political career," is seeking a Cabinet and White House staff shake-up in the aftermath of the administration's secret arms dealings with Iran, according to sources in Washington at the weekend.



*First Lady Nancy Reagan.*

The sources said the group of longtime influential friends is said to be working with the encouragement of Mrs Nancy Reagan, who has privately been highly critical of White House chief of staff Donald T. Regan and Secretary of State George P. Shultz. The goal of the group, which includes Californians inside and outside the administration, is to replace Shultz, Regan and national security adviser John M. Poindexter. The group is pushing for Secretary of Defense Caspar W. Weinberger to replace Shultz, and Drew Lewis, the former transportation secretary who is president and chief operating officer of Union Pacific Corp., to replace Regan.

Several members of the group, including Attorney General Edwin Meese III and former secretary of the interior William P. Clark, have contacted Lewis in recent days to ask if he would be willing to become chief of staff. Former U.N. ambassador Jeane J. Kirkpatrick has been suggested by some members of the group as a possible replacement for Poindexter.

One source said it was not certain whether the group would have any success persuading the president to make staff changes, which he has been reluctant to do in the past. But, the source said, the effort was highly significant as an indication of how seriously Reagan's intimates view the damage caused by the revelation of the secret Iran operation.

At his news conference last week, Reagan said he was "not firing anybody" as a result of the Iran controversy. He has refused to call the Iran arms shipments a mistake, though this was an option suggested to him before his conference, and said last week it was a worthwhile "high-risk gamble." Reagan repeatedly erred at the news conference when commenting on a crucial aspect of the Iran operation — the involvement of third countries.

Nancy Reagan was particularly upset with what she believed was sloppy preparation for Reagan's news conference, the sources said. Since the Iran arms shipments were first disclosed, Reagan's public approval rating has dropped 10

Continued on page 16

The Washington Post



# The SEC And Mr Boesky

THE BOESKY CASE has confronted the Securities and Exchange Commission with a dilemma to which it is responding awkwardly. But the dilemma is genuine. Mr. Boesky was running a gigantic investment fund when the SEC nailed him for illegal trading with inside information. The fund had very large holdings of stock in companies involved in takeovers, actual or rumored, and the value of these stocks would be sharply affected by the news of the SEC proceedings against Mr. Boesky. Knowing that, the SEC quietly allowed him to sell $440 million worth of them just before it announced that it was going to fine him and force him out of the securities business.

That, reasonably enough, has outraged other traders. The SEC permitted Mr. Boesky to do, with its permission, something that looks very much like the offense for which it was punishing him — trading on the basis of inside information. In this case the inside information was his knowledge of the forthcoming SEC action against himself. There's a legal argument that these sales did not violate the letter of the law since, in his own case, Mr. Boesky did not come by the information illicitly. But clearly the spirit of the law was abused.

The SEC had a reason for it. Much of the investment fund's stock had been bought with borrowed money. The SEC feared, it says, that with the announcement of its penalties against Mr. Boesky the creditors would reach for their money, forcing sudden and uncontrollable sales of these securities. That's a recipe for panic, and there's the dilemma. The SEC chose to follow the rule of safety first. So Mr. Boesky sold and then, with the announcement, the prices of these stocks fell. The losses fell on the innocent buyers, rather than on Mr. Boesky and his partners in the investment fund.

Will this incident be repeated? Mr. Boesky continues to control his apparently fears that no one else could pick up all the threads that he currently holds in his hands. It wants him to liquidate the funds, but to avoid driving down the prices of stocks, it has given him more than a year to do it. Throughout that time he will know much more than any outsider about the course of the SEC's continuing investigation, since he is at the center of it.

In the name of market stability, the SEC is making questionable compromises here. Congressional hearings can perform an important service. They will provide the SEC with an opportunity to explain and defend its decisions. Beyond that they can provide a clearer account of this whole episode, and of the protection being provided to legitimate investors.

# Secret Videotapes Of Meetings

By David A. Vise and Peter Behr

WASHINGTON — Stock speculator Ivan F. Boesky has provided federal investigators with videotape recordings, made with hidden cameras, of his meetings with Wall Street professionals who provided him with advance tips on corporate takeovers, according to sources close to the investigation.

The videotaped meetings and audio recordings of Boesky's telephone conversations, dating back at least seven weeks, are expected to form the basis for the next series of moves in the government's crackdown on the insider trading networks centered on Boesky and Dennis B. Levine, a former investment banker with Drexel Burnham Lambert Inc.

At least one other investment banker is cooperating with investigators after being implicated by the recordings, sources said. Boesky and Levine have been supplying investigators with names of their Wall Street contacts who shared illegal tips about takeovers or other major corporate developments, thus reaping millions of dollars in insider trading profits.

The videotapes, which were made in Boesky's Fifth Avenue office in Manhattan, reportedly show the dates and times of meetings, a standard technique in secret government videotaping, indicating that the Boesky tapes were made with help from government investigators. Sources said the government had not planned to reveal its "sting" operation on Nov. 14, but decided to after someone discovered Boesky's secret taping activities.

On Nov. 14, the Securities and Exchange Commission announced that Boesky had agreed to forfeit $50 million in illegal insider trading profits, pay a $50 million penalty and plead guilty to an unspecified criminal charge. The SEC said Boesky agreed to pay Levine $2.4 million for a series of leaks about upcoming takeovers and major corporate actions that Levine had learned about from Drexel's clients or other Wall Street sources. Boesky's use of such confidential information to buy and sell securities violated federal laws against insider trading, the SEC said.

SEC Chairman John S.R. Shad indicated in an interview Sunday that the agency has been monitoring Boesky's trading activities since September. Shad implied that the SEC permitted Boesky to continue his stock trading operations from September to Nov. 14 because to do otherwise "would have blown the case, the ongoing investigations," he said on ABC-TV.

Congressional reaction to the Boesky scandal intensifed Sunday. Sen. William F. Proxmire, D-Wis., who will be chairman of the Senate Banking Committee when Congress returns next year, called for sanctions on the Wall Street firms whose investment bankers and other employees are proven to have violated securities laws.

"We have to impose a penalty not only on the individual but on the firm itself, so the firm has a real reason to discipline its employees and keep them in line. No penalties have been imposed on Drexel Burnham Lambert. The penalty on Levine is not enough," Proxmire said.

Sen. Alfonse M. D'Amato, R-N.Y., the current chairman of the Senate Banking securities subcommittee, joined Proxmire in calling for new securities regulation and legislation.

Proxmire and D'Amato questioned the SEC's decision to let Boesky sell $440 million in shares of stock from his investment funds before the Nov. 14 announcement of the case against him. Many market traders were outraged by the SEC's decision, saying their trading decisions would have been different had they known Boesky was unloading stock.






THE REAGAN GANG — 'CREEPS' CASEY, 'BUGS' BUCHANAN, BOBBY 'THE CAKE' McFARLANE, THE BOSS, JOHN 'THE ADMIRAL' POINDEXTER AND 'RATS' REGAN — WITH HOSTAGE.

# Nancy Reagan Wants Shake-up

Continued from page 18 ... according to an ABC News poll.

The Californians have been calling themselves "the friends of Ronald Reagan," the name they used 20 years ago when they first organized behind Reagan's gubernatorial candidacy. They include Holmes Tuttle, one of the earliest Reagan backers; former attorney general William French Smith; former White House political director Lyn Nofziger; California industrialist Jacqueline Hume; Meese; and Clark. Sources said retiring Sen. Paul Laxalt, R-Nev., has been sympathetic to the effort.

Central Intelligence Agency Director William J. Casey also is seeking changes, in particular, the replacement of Shultz with Weinberger, the sources said. "The consensus of the friends is that there need to be some changes," said one member of the group, members of the present team are more interested in protecting their own hindsight than in protecting the president."

Another source familiar with the effort said the group felt the final two years of Reagan's presidency are at stake. "It's headed South — fast," the source said. "Nancy saw the loss of the Senate, and that really shook her. And now all of this happening."

A source close to the president said Reagan has been privately critical of Shultz despite giving the secretary a vote of confidence in last week's news conference. Reagan saw Shultz's appearance on CBS News' "Face the Nation" Nov. 16, in which the secretary tried to distance himself from the Iran operation. "The president saw what Shultz did to him on television last week," the source said, sees on television."

The Californians have been sharply critical of Regan, whom they believe has failed to defend the president adequately. One called Regan "totally incompetent." Another complained that "Regan hasn't let others in the loop," preventing outside advice from reaching the president. The group was unsettled by Regan's high-profile role in such events as the Reykjavik summit, crowding out others. "If he was a genius he could do it all — but he's not," the source said.

Poindexter's loyalty to Reagan has not been questioned, but, as one member of the group put it, "You could hardly ask Shultz and Regan to leave and keep the architect of the policy."

# The President Contradicts Himself

By David Hoffman and Walter Pincus

PRESIDENT REAGAN'S effort last week to quell the furor over his secret arms shipments to Iran raised new contradictions and interpretations that only fuelled the controversy.

Reagan's account of how the covert U.S. diplomacy with Iran unfolded also differed in one significant detail from accounts that had emerged from current and former members of his administration and from Israeli sources. The president repeatedly denied that the United States had condoned the shipment of arms to Iran by other countries — contrary to assertions from numerous sources that Israel had made such shipments — and the White House was quickly forced to issue a clarification after the news conference obliquely acknowledging a "third country" involvement.

Among other issues in the news conference: Reagan insisted "I was not breaking any law" in not notifying Congress for 10 months of his secret Jan. 17 authorization to ship weapons to Iran. But he then offered an interpretation of the law on notification that was sharply at odds with that cited by House Majority Leader James C. Wright Jr. (D-Tex.), who asserted that the law's requirement of "timely notification" was flouted.

Reagan claimed that "Iran held no hostages," that "Iran did not kidnap anyone" and that Iran "does not own or have authority over the Hezbollah" group holding the Americans captive. But he simultaneously tried to explain that he authorized the sale of arms as a sign of good faith to elements in the Iranian government, and expected they would return it, showing that "they were not in favor of backing terrorists, they could begin by releasing our hostages."

Reagan said the Iranians said they had "some evidence" that there had been a "lessening" of Ayatollah Ruhollah Khomeini's support of terrorism. But the president subsequently said, "Iran officially is still on our list of nations that have been supporting terrorism." Secretary of State George P. Shultz said earlier in a television interview that "Iran has and continues to pursue a policy of terrorism."

Reagan said that all the hostages would have been released by now if not for the "confusion that arose here in the reporting room" on disclosure of his secret dealings with Iran. But he acknowledged that the disclosure began as a result of infighting among elements in the Iranian government, and the initial leak came from those factions antagonistic to the United States.

Reagan kept coming back to his point that the shipment of arms did not amount to paying ransom because the group holding the hostages did not get the weapons. But he acknowledged that the arms sales did give "prestige and muscle" to factions in Iran that had demonstrated influence over the captors in the past.

Reagan opened with a carefully worded statement saying he assumed responsibility for the covert shipments, but then he blamed others for the current controversy and declared that "I didn't have anything to do with damaging" his credibility.

On the question of notifying Congress, Reagan claimed that he had authority to "defer" notice "until such time as I believe it can safely be done with no risk to others." However, Wright said that the law requires timely notification of Congress without regard to the question of risk.

Reagan also sought to justify his failure to notify Congress by comparing his action with the 1983 U.S. invasion of Grenada, where he said "we went into Grenada without prior notice." In fact, Reagan summoned bipartisan congressional leaders to the White House the night *before* the Grenada action to *inform them* of his intentions.

Reagan claimed on two occasions that the arms did not go to Khomeini and that the secret talks were not with his government. On the other hand, he said U.S. officials were dealing with and sending arms to individuals "in positions in government."

He repeated past statements that because of the arms shipments, there had been evidence that there had been "a lessening" of support of terrorism by Khomeini and his government. Reagan did not mention, however, that three Americans have been taken hostage in Lebanon since September.

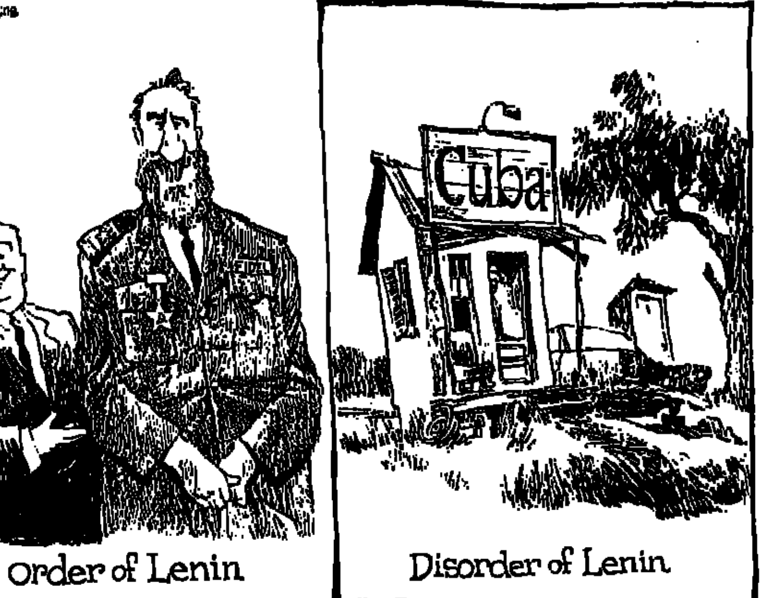
Reagan acknowledged that he secretly waived his own arms embargo against Iran, but justified it because the goal was "worthwhile."





*FIDEL: A Critical Portrait, by Tad Szulc, Morrow, 703pp, $19.95.*

*FIDEL: A Biography of Fidel Castro, by Peter G. Bourne, Dodd, Mead, 332pp, $18.95.*




# The Man Who Made A Revolution

By John Dorschner

HE HAS a paunch now. The famous beard is flecked with gray. The once-ragged guerrilla fatigues have given way to a crisply tailored uniform. After 27 years in power, he has become one of the great players on the world's stage, and so it seems only fitting that, at age 60, Fidel Alejandro Castro Ruz should be the subject for biography.

But is he really 60? Or is he 59? Fidel himself says he's 60. His brother Ramon says 59. The Cuban government has embraced first one birth date, then the other. The Russians now lean toward the earlier birthdate. So do Cuban exiles, who like the idea of an earlier birthday because it would make Castro an "illegitimate" child.

As Tad Szulc notes: "Everything about Fidel Castro seems to be controversial." And so it is. Researching Castro and revolutionary Cuba is often like marching through a field of land mines: Each fact has so many explosive implications. Through this dangerous territory, Tad Szulc has done his work admirably. A veteran journalist who has been writing about Cuba since the '50s, he spent six months in Cuba researching the book, talking with Castro's close associates, examining documents, and having some conversations with Castro himself — though the Cuban leader did not provide the in-depth, from-birth-to-the-present kind of talks that would have meant complete cooperation.

Still, Szulc has produced a major, revealing book. It's the best portrait ever of Fidel Castro and the most important examination of Cuba since Hugh Thomas' encyclopedic *Cuba: In Pursuit of Freedom*, published in 1971.

Expertly, Szulc probes the well-known outlines of Castro's life: Growing up as the son of a prosperous farmer, studying in the best Jesuit schools, learning politics at the University of Havana, where gun battles were often more important than ideologies in determining success in student elections. Carefully, Szulc works his way through the enduring debate of how close Castro was to Marxism in his early days. He concludes that Castro was considerably more radical than many people believed, but not the dedicated communist that ideologists of both the right and left have tried to make him out to be.

Szulc portrays Castro as a visionary and an egotist who has never doubted the rightness of his cause or the limitations of his own abilities, even when it comes to such a mundane activity as cooking. One of the most telling anecdotes in Szulc's book is a personal one, about a time when Castro visited Szulc's rented home in Havana: "Fidel instructed his friends to bread the thin lamb slices and then fry them in oil, and grew quite annoyed when the wife gently suggested the lamb can also be good broiled. Saying brusquely, 'So make them however you want,' Fidel strode out of the kitchen."

Castro, of course, is rarely corrected, and he dislikes it even more when he's ignored. In Szulc's book, Castro admits for the first time how angry he was during the Cuban Missile Crisis in 1962, when Khrushchev promised John Kennedy to pull the missiles out of Cuba without consulting the Cubans. The incident, Castro told Szulc, "damaged the existing relations between Cubans and Soviets for a number of years."

There are many other revelations in Szulc's book. Perhaps the most notable, from an historic perspective, concerns early 1959. It seems that within days of Castro gaining power, he sent his loyal Fidelistas to secret meetings with the old-line communists. Intentionally hiding these meetings from the view of Cubans, journalists and Washington, Castro was planning to shift Cuba dramatically to the left while still publicly supporting democracy. Szulc demolishes the theory that it was Washington that forced Castro into the communist camp.

Szulc calls his book a "critical portrait," but it is certainly not an anti-communist diatribe. He has relied mostly on sources sympathetic to Castro, while maintaining a dubious caution, and he has balanced his research with interviews of some of the more respected Cuban exiles and with American sources in Washington. (Annoyingly, while he so meticulously cites his Cuban sources, he often allows American sources to remain anonymous).

Compared with Szulc's book, Peter G. Bourne's biography seems a thin primer. A psychiatrist who was a special assistant to President Carter and later an assistant secretary general to the United Nations, Bourne went to Cuba to interview some of Castro's associates (though not Castro himself). He attempts some psychological insights into the Cuban leader as an overachiever trying to compensate for the illegitimacy of his birth, and as a maverick who was alienated from his stern father yet cherished the rigidity of his Jesuit schooling. But Bourne has not written a full-blown psychobiography, and the book fails in seeking a middle ground between psychology and history.

In one astounding footnote, Bourne mentions the contention of exile Luis Conte Agüero that Castro goes through "periods of severe depression." Observes Bourne: "An above average energy level and a hyperactive state much of the time, as Castro evidences, are often associated with a labile affect and periodic mood swings. The reclusive periods in the mountains and similar episodes after he came to power add credence to Conte Agüero's view." Interesting conjecture, perhaps, but coming from a psychiatrist, it's a cheap shot: Either he should have dealt with the suggestion at length, in the main text, or he should have forgotten about it.

Actually, neither book deals much with Castro, the private man. Both Castro and his closest associates have always been reluctant to talk about personal "bourgeois" details, and we know little about Castro's views of his parents, his brief marriage, his son Fidelito or his lengthy relationship with his companion-secretary Celia Sanchez.

Ultimately, as Szulc concedes, the definitive biography of Fidel Castro cannot be done while the Cuban leader is still alive. But in the meantime, and for a long time to come, Szulc's portrait will serve as our best look at a man who has been such an enduring power in world politics.

*John Dorschner, a writer with Tropic, the Sunday magazine of The Miami Herald, is co-author of "The Winds of December," an account of the last weeks of 1958 in Cuba.*

# US 'International Illiteracy'

By Barbara Vobejda

AN ORGANIZATION of southern governors said last week that the nation's schools have failed to prepare students to compete in the world economy, contributing to an "international illiteracy" that places the United States at a disadvantage with other countries in business and political affairs.

The Southern Governors' Association, in a report released in Atlanta, cited a study in which 20 percent of the U.S. elementary school students surveyed could not locate the United States on a world map. In another study, American youngsters ranked eighth among students from nine countries in their understanding of foreign cultures.

The report urged that southern states, whose economic health relies increasingly on international business, improve their competitive edge in world trade by revamping educational programs to emphasize geography, foreign languages and international issues.

"We will be victims of a modern-day industrial revolution unless we realize our competition is not just South Carolina, it's South Korea," said Democratic Virginian Gov. Gerald L. Baliles in a telephone interview. Baliles, who heads the association's panel on international education, said that while southern states have undertaken sweeping educational changes since 1980, they have "ignored the crucial elements of international awareness." He called on the states to lead efforts to "change attitudes and build international perspectives in the school and in the workplace."

The panel also warned that the country is "paying a high price militarily" for its international ignorance. The report quotes the congressional testimony of one of the panel members, former Central Intelligence Agency deputy director Bobby R. Inman, who blamed "the lack of deep understanding" of foreign societies for numerous "surprises" in international affairs.

According to the report, only six of the 53 hostages in Iran in 1979 could speak Farsi, the native language of Iran. Also, the U.S. Foreign Service is the only foreign service in the world that a person can enter without fluency in a foreign language, the report said. It recommends that the departments of State and Defense adopt more stringent language and international studies proficiency requirements.

The report recommended that:

- Geography be taught as a distinct subject in kindergarten through the 12th grade, rather than the common practice of teaching it as part of a social studies course, if at all.
- Foreign language requirements be reinstated as admission standards at colleges and universities.
- Teachers be required to demonstrate international awareness on teacher certification tests.

The Southern Governors' Association agreed last year to study the issue because of the region's dependence on foreign business.

# Wall Street Could Use A Cleanup

By Hobart Rowen

"THIS guy," says one of Wall Street's best known securities-market investigators about Ivan Boesky, "has been in so many deals, he could upset the world. It's something like capturing the whorehouse madam: Now the cops have her date book."

Mr. Boesky was able to do what every investor dreams of doing: buy low and sell high. He rolled up multi-millions in profits with the benefit of inside information on mergers being arranged by well known corporate "raiders" through Wall Street brokerage houses. For Mr. Boesky and associates, it was a sure bet. The price of their stock would go up when the raiders' bids for the target companies became public knowledge.

Mr Boesky, reportedly the Street's richest and certainly its most famous speculator, has agreed to pay a record $100 million in penalties assessed by the Securities and Exchange Commission. He also will plead guilty to a felony count that could put him in jail for one to five years.

The criminal charges would have been more severe, but Mr. Boesky agreed to "sing". As he names those who were in cahoots with him, other reputations in Wall Street will be shattered. No one can be sure how far-reaching these revelations may be.

More important than the damage to individuals and to the financial companies that Mr. Boesky fingers is the probability that the average citizen has one more reason to lose faith in the American financial system. As it is, many think of the stock market as little better than a crapshoot.

"This is just one more event that portrays the financial world as a kind of casino," rather than as a prudent manager of the public's savings, said Henry Kaufman of Salomon Brothers, a New York investment house.

It is part of a pattern of excessive financial speculation and risk-taking in a government-endorsed climate of deregulation. Corporate raiders, in league with greedy arbitrageurs like Mr. Boesky, benefit while often wrecking the targeted companies.

In June of last year, Felix Rohatyn, senior partner of Lazard Frères, warned of a pileup of events that was "eroding the climate of confidence required of our institutions".

Apart from the excesses of takeover arbitrage, Mr. Kaufman and Mr. Rohatyn have in mind the collapse of government bond-trading firms that led to failures in Ohio and Maryland savings and loan institutions; the mounting failures of commercial banks, now at a one-a-day rate; the desperate condition of many federally insured S&Ls.

Mr. Boesky's contribution to this speculative climate was his role as the biggest arbitrageur, the number one player in the game of corporate takeovers that preoccupies Wall Street and, perforce, distracts business managers from their real mission of learning how to compete — say, with the Japanese. Hostile takeovers often force a target company to take defensive action that is not in its real economic interest. But in Mr. Boesky's world the concentration is on quick profits, not sound investment leading to stable economic growth.

According to the SEC, much of Mr. Boesky's inside dope came from Dennis Levine, formerly with the Wall Street firm of Drexel Burnham Lambert, a takeover specialist. Mr. Levine pleaded guilty to insider trading charges last May, apparently leading investigators to Mr. Boesky.

In his 1985 testimony, Rohatyn warned that the existence of large pools of money, managed by arbitrageurs looking for a quick buck in the takeover business, side by side with large pools of money in the hands of corporate raiders "creates a symbiotic set of relationships which has at its basic purpose the destabilization of a large corporation and its subsequent sale or breakup."

Prophetically, Mr. Rohatyn said that this creates "the appearance, if not the reality, of professional traders with inside information, in collaboration with raiders, deliberately driving companies to merge or liquidate".

The Boesky case revelations, to be illuminated in congressional probes, will lift the veil on a huge, intertwined speculative disease that threatens the safety and integrity of financial institutions, the securities markets and American corporations.

The danger signal is there, and one hopes that hearings will be followed by corrective legislation.

# Washington's wall of death

**By Polly Toynbee**

A FAT balding man, his remaining locks reaching to his shoulders, was beating his head against the shiny black granite wall. Head-banging, he moaned and wailed, "Oh God, Oh God," until a firm hand on his shoulder prevented him drawing his own blood against the stone.

It was Veterans Day in the United States. The main official events with army bands and government speeches were to be found across the Potomac at Arlington Cemetery, where the dead of the Civil War and two world wars are laid to dignified rest.

But here, at the new Vietnamese Veterans Memorial, was a thinly attended spectacle. The rain beat down, a tropical streaming rain, that reminded the veterans of another country. "Did the rain stop us in Vietnam? Did they ever call off the war for rain?" called out a voice at the microphone to the assembled old soldiers, and a thin cheer went up. "Boy did it rain."

The grass round the great glistening memorial turned to mud, and the veterans in their worn flak jackets and camouflage bush hats were wet to the bone.

I was remembering when 13 years ago I stood on this spot in the Mall, between the Lincoln Memorial and the Washington Monument, in the midst of the biggest anti-Vietnam War demonstration ever: 9,500 people were arrested, with their tambourines, flowers, badges and sharp slogans. Another time I watched a thousand famous people march from here to the Capitol and some ended up in gaol.

What struck me first about this raggle-taggle bunch of veterans was their age. As in the war itself, there were far too many blacks and very few of the middle classes. And they were old, or at least they were between 33 and 49 — my generation — and they looked old. But the six-man guard of honour representing the current armed services looked like crew-cut babies, as these men looked when they set out for war.

Not only were the veterans old, but they were a lost generation, stuck forever in a time warp of the Sixties and early Seventies — thinning hair long and unkempt beneath baseball caps covered in badges. Time had stood still for these living relics of a hippy drug culture that could not save them from war.

One man, in spite of the rain soaking his paper, was trying to take a rubbing of his best friend's name from the memorial. He too was crying and he placed a note to his friend at the foot of the wall. But like most of the veterans there, he did not like the new memorial. The politics behind the building of it tell of all the ambivalence and contradiction in a nation trying to remember a humiliating defeat.

More than 1,000 sculptors entered a competition to design the new memorial. It was won by a 24-year-old Asian American woman, too young to remember much about the war herself. What she built is a great shiny black granite wall, dug into a trench, looking like a powerful dam holding back something dark and terrible. It is the most moving war memorial I have ever seen, with its 58,022 names telling of death and tragedy, certainly not of glory and hope.

The veterans rebelled and there was a row. To appease them another monument was erected nearby, a statue of three fine upstanding American boys with guns, full of vim and vigour, as kitsch as an ad for a Rambo movie.

But the wall is the main event and, like it or not, it is where the veterans come to weep — a wailing wall. They and the relatives of the dead come there all the time to leave mementoes — anything from their dead friends' favourite cans of soup, teddy bears and messages of love: "Dear Jimmy, You were my cousin but I'll always think of you as my brother. Rest easy, soldier. Airborne.. Love David." These offerings are taken away after a few days and stored in a warehouse to be kept forever.

When this memorial was finished and dedicated, it marked a kind of triumph for President Reagan in bringing home from the cold at last the boys from the war who had felt ostracised, victims of a defeat no country would wish to celebrate. After all, in Britain we commemorate Trafalgar and Waterloo — names not found in a Paris street directory — while the French remember Austerlitz and Jena. There was nothing good for the Americans to remember about Vietnam. It left the veterans and the relatives of the dead bitter outsiders. Glorious fighters with no glory to recount. No one could separate the shame of the war from the wretched warriors drafted to fight it.

The veterans themselves are divided on the war. The man beating his head against the black wall of the memorial, tears streaming down in the rain, said: "My kid brother — for nothing, nothing." He kept rubbing the name engraved on the stone, as if rubbing it out would mean his brother wasn't dead. He had fought too, same regiment, but survived: "Inside I never survived," he said, rubbing his eyes dry. To him the memorial meant never again — not in Nicaragua, not anywhere.

A 16-year-old boy from Carolina, shivery and nervous, put his hand on the stone gingerly touching where his father's name was engraved. His mother stood back and watched, chewing on a handkerchief. "I don't remember my daddy," he said. But out of his baseball jacket he took a photograph of a young man in a stiff army pose. "He was a helicopter pilot." What did he think about the war? "We didn't win, did we? I guess it was all a waste . . ." His mother turned her back on him sharply.

Doug Fairchild, in a wheelchair with both legs amputated, is a veterans' employment adviser. He wheeled himself through the rain past the black tablets. "Yeah, we learned lessons. If you're going to fight a war, then finish it. It was lack of guts on Capitol Hill. It was a right war and we would have won it, but we were never given the chance."

His friends around him, some from Texas, some from Missouri, agreed heartily. Betrayed by yellow politicians, they said. No doubt about it ma'am, it was a just and winnable war.

Most the veterans there that day thought the same — bitter about the politicians whose political will failed them in the face of gunfire, bitterer still about the long years out in the cold: 60,000 veterans have committed suicide; worse they feel they were victimised.

The man with no legs said they were ignored and made to feel ashamed: "A friend of mine going for a job was asked, 'You one of those baby-killers?' He grabbed the guy by the collar and hit him. After that he never told anyone he was a veteran."

*'At the Vietnam Veterans' Memorial, those of us old enough were remembering either a glorious war (a defeat) or a glorious fight against the war (a victory). Which version will become historical truth?'*



*Veteran at the wall.*

A vet from Texas, red-faced, straggle-haired and chain-smoking, said: "They treated us like psychos. The only stories you ever read about us is about vets who rape and murder, mug and rob. I blame the media. Whenever a crime happens, if the guy happens to be a vet, they have to put it right up front in the story."

But it is not, for once, the media's fault. Serving in Vietnam became a major defence in criminal cases. Post-traumatic stress disorder it is called, PTSD. At least 250 veterans accused of serious crimes have received a more lenient sentence by claiming to be PTSD sufferers — with nightmares, depressions, sleep loss and flashbacks touched off by sights, sounds or smells that remind them of Vietnam.

Some said it was the roar of a passing helicopter, others the smell of rice cooking that made them do it. The acquittal of John W. Hinckley Jnr in the shooting of the President was the most celebrated successful use of PTSD as a defence.

The veterans are split on this too. On the one hand they want recognition of their problems and special needs. On the other, this defence has stigmatised them all, leaving the general impression that all Vietnam veterans are unemployable lunatics, likely to start shooting at the sound of a car exhaust back-firing.

But they all say that the way they are treated has improved beyond recognition in the last couple of years. The great veterans' campaign to build memorials all over the country — 144 so far — is the visible symbol of their new status.

That is by no means the whole story. Liberals look on with well-justified alarm and suspicion. What does it mean? Why should the President seek to rehabilitate the Vietnam War? He is turning defeat into glory, humiliation into a noble struggle for world freedom. They fear it is a softening up operation for another war. If it was noble to fight for a friend and ally in Vietnam, then it is right to fight for the contras in Nicaragua too.

The fight for the meaning of the Vietnam symbol has been fierce. At the memorial that day, the most radical senator, John Kerry, himself a Vietnam veteran, organiser of the powerful Vietnam Veterans Against the War campaign, said: "This wall reminds us of a special responsibility that we have to avoid any glorification of war." But sitting next to him was Chuck Norris, martial arts film star, whose brother died, and right-wing Senator John Warner who spoke of the glory and the nobility of the cause the men died for.

Meanwhile, a whole new generation has sprung up full of a new nostalgia craze for the Vietnam era. Some of them were there at the memorial that day, looking on with surprised fascination at grown men crying — what's more, grown men who looked like walking museum pieces of their parents' generation. Students from a Pennsylvania high school taking a course on Vietnam were making notes under umbrellas. Students from the University of California were taking a course called The Impact of the Vietnam War on American Values. The course is so popular that more than 900 students are taking it and a further 900 were turned away. There are now 300 such courses recently introduced into American universities. In 1980 there were none.

Those of us at the memorial old enough were remembering either a glorious war (a defeat) or a glorious fight against the war (a victory). Which version would these students be taught?

# The battle of the beetle

**By Martin Walker in Moscow**

THE recent correspondence on cockroaches was fascinating, but it lacked the Soviet angle. Any discussion of cockroaches which fails to acknowledge the superiority of the Moscow breed is like talking about snakes while ignoring pythons and cobras. For size, aggression, and tenacity, the Moscow cockroach reigns supreme.

On this subject, I lay claim to a modest expertise. I have flushed the fearsome cockroach of Mexico City down the plug-hole. I have stomped on the brutes in Benghazi, and jumped on them in Johannesburg, drowned them in Delhi, and been tempted to nuke them in New York.

Elsewhere in the world, the average human stands a fighting chance in hand-to-hand combat with a cockroach. Not in Moscow. The first one we saw when we moved into our 15th-floor apartment on Serpukhovsky Val could have been mistaken for a T-34 tank in brown camouflage. It was conducting obviously hostile manoeuvres across the wooden floor, and with the understandable arrogance of homo sapiens, I tried to crush it flat.

My foot bounced, my knee jarred, the pain stabbed into the base of my skull — and the cockroach strolled placidly on while I stared in disbelief at the damage to the sole of my shoe.

We called on a friendly babushka for help. The babushkas are the grannies, the old ladies who really govern the country and keep it on the straight and narrow. Babushka said mix borax powder with mashed potato, roll it into little balls, drop them underneath and behind the furniture, and await results.

The result was that we could not fight our way into the lavatory for the hordes of cockroaches. A scientific friend explained that the borax stops the cockroach from drinking water, and they eventually die of thirst. But meanwhile they gather wherever they can smell the water they crave. Babushka learned her anti-cockroach lore in an old Russian house with an earth privy. Hence our problem with the lavatory.

There are loyal Russians who will tell you solemnly that there never used to be cockroaches in Moscow, that the little beasts were first seen at the Kievsky station in 1955, when the first train-load of African students arrived and opened their suitcases for inspection.

This is rubbish. The cockroach is as Russian as borscht. The Russian word for the insect is *tarakan* and there is an old town called Tarakanov not far north of Moscow.

When I leave Moscow on holiday, I call in the exterminator. You can order this service from the state servicing bureau, but like most Muscovites, I prefer to go private. For a fixed price per square meter, and bottle of vodka thrown in, a kind of Armageddon takes place throughout my apartment. I cannot specify what chemicals are used, but I know all human life is banned from the place for days after the treatment. It costs about £25.

Returning home is like the morning after Waterloo. In the cupboards, along the skirting boards, beneath the chairs, and around the lavatory, the corpses lie in heaps. Some try to escape into the refrigerator, and there are bodies along the rubber seal that keeps the door closed. Others take refuge in the controls of the electric cooker, where they eventually die. My wife knows that to cook a souffle the dial should be turned to two cockroaches, and to roast coffee beans, all the way up to the albino one with the long antennae.

Not only do the tarakans always come back, some of them never leave. Even after the kind of chemical warfare that would turn Caspar Weinburger into a pacifist, some of the corpses eventually twitch, stir themselves as if from a long sleep, and stroll into the kitchen to look for crumbs.

I sometimes wonder whether they might even relish our attempts at extermination as some kind of Darwinian challenge to ensure the survival of their fittest specimens. I know that they can survive extremes of heat and cold, can withstand radiation, and go without food and drink for long periods in a state of suspended animation.

I doubt whether the human race has ever sent up a space ship or satellite that did not contain its little creepy-crawly cargo. I see them, antennae twitching, checking out the Moon and Venus, and in my worst moments fear that in the endless process of evolution, the function of the human race may be simply to serve for the real heir to all the ages, the Muscovite tarakan.



# Washday a hundred years on

**By Ralph Whitlock**

MY long-deceased great-grandfather, whom I meet from time to time down the orchard, under the old apple-tree where his cider-press used to stand, had told my great-grandmother, Elizabeth, about my wife's new spin-dryer, so at our next encounter he brought her along, for my wife to fill in the details.

The meeting, it so happened, more or less coincided with the publication of that recent survey of how life has changed in Britain over the past forty years. In particular, my great-grandmother was intrigued by my wife having to spend less than half the time she used to at housework, and the spin-dryer, of course, helped to explain why.

"The week was mapped out for us in advance," said Elizabeth. "When a girl married she knew just what awaited her on each day of the week for the rest of her life."

"Monday," she explained, "was wash-day. Tuesday was ironing-day. Wednesday was bedroom day. Thursday was cooking day. Friday was cleaning and polishing day. Saturday was the preparation for the Sabbath. Only a crisis, such as the arrival of a baby, permitted any alteration to the rules, and then whoever looked after you when you were in bed, followed the same routine."

My wife, who was brought up in the same tradition, concurred, and the two women launched into an orgy of reminiscences, while we men sat on the log pile and gossipped of less important matters.

"What a battle wash-day used to be!" great-grandmother remembered. "Up before daybreak and getting the fire under the copper lighted . . ."

"I used to do that for you, very often," put in great-grandfather.

"Yes, so you did," she admitted. "Especially when the hearth fire had gone out overnight."

"Aye, when that happened I had to get out the old tinder-box, and sometimes it would take me twenty minutes or more to strike a light," said William.

Twenty minutes to achieve a result which we would thoughtlessly invoke by striking a match or flicking an electric switch!

"Our copper really was made of copper," Elizabeth went on. "It was set back in a recess of the wall of the old kitchen that doubled up as a dairy, you know."

My wife knew. She had inherited it in due course.

"Then there was the starch to prepare. You did that while the copper was heating up. Two tablespoons of starch into the bowl and stir up. And the blue to be prepared, too . . . but there, I always kept a blue-bag handy to dab on wasp stings and insect bites.

"When the copper was boiling, I put in the dirty clothes and gave 'em a thorough boiling. Then fetched them out with the copper stick and dumped them in the tub for rinsing. Two lots of rinsing, in blue water, then through the mangle and out on the clothes-line to dry.

"Old Maud, who lived next door, used to go along the road to help her niece, Susie, who had eleven children, Monday mornings. That was Susie Metcalf. Her man was a farm labourer and they had only a two-bedroomed cottage, with one living-room downstairs and a tiny kitchen, so there wasn't room indoors for the copper. They had an old fireplace rigged up under a lean-to outside the back door, and that's where Susie and Auntie Maud did their washing . . . for eleven children.

"Mind you, when we'd done the main wash and got the clothes on the line, we hadn't finished. There were all the outdoor clothes to wash, like your granddad's smock, and all the farm slacks. We used the same water for that. Never do to waste water, 'cos it all had to be drawn from the well, by windlass. By the time I'd finished washing a dozen or two tatie sacks the water was half mud. But it was just as good for watering the garden."

"That was my job on Saturdays," said Great-grandfather, "drawing up all the water from the well. Couldn't do it on Sundays, of course."

"Do you remember the old wash-day rhyme?" my wife asked, artfully.

They did. Great-grandmother recited it.

*"They that wash on Monday have all the week to dry.*
*They that wash on Tuesday do not go far awry.*
*They that wash on Wednesday are not so much to blame.*
*They that wash on Thursday wash for shame.*
*They that wash on Friday wash in need.*
*And they that wash on Saturday are dirty sluts indeed!"*

She finished triumphantly. My wife tactfully refrained from telling her that she has a habit of slipping a pile of washing in the washing-machine and leaving it to wash while she goes to church on Sunday morning. Washing on Sunday! So unthinkable that there wasn't a stanza in the rhyme to describe such infamy.

Instead, Hilda switched to the topic of drying and explained how on wet days she is able, by using spin-drier and tumble-drier, to get the wash dried completely without even stepping outside the door. Great-grandmother sighed.

"You don't know how lucky you are! I wish I'd had those gadgets in my day. I allow he does, too," she added, indicating great-grandfather, who grinned sheepishly.

"Twas one of those blowy Monday mornings, when the wind had got round high west after overnight rain. Good drying weather. I'd just got all the clothes on the line, reaching from the back door right down to the orchard, and they were all billowing out lovely in the wind . . . it was a big wash that day, I remember, when the clothes-post snapped off! There, I knew it was getting worse for wear, and I'd told him about it. Been on at him for weeks about it, and every time he'd say, 'Yes, I'll see to it,' and did nothing. I suppose it was the weight of the clothes and the buffetting the wind was giving them. Anyway, off it snapped, and there went the clothes, all over the garden. Over the sprouts and taties and dahlias and wet grass, all my lovely clean clothes, trailing in the mud.

"Then round the corner of the house came these two blessed dogs, gamboling about with their dirty feet all over my clean sheets. And after them, his lordship there. 'Hey, mother,' he says, 'can I have an early dinner today? . . . hullo, what's up here?'

"Then I hit him. It's the only time in my married life I hit him, and I was sorry for it afterwards. But I reckon he deserved it, don't you?"

We looked across at Great-grandfather, but he had turned away. I think he was chuckling at the memory.



*A wild, dangerous, driven humour . . . Jonathan Pryce's Macbeth.*

# Murder in the family

**By Michael Billington**

YOU have to go back to 1955 to find a totally satisfying production of Macbeth on the main stage at Stratford; and even that one owed more to the genius of Olivier than to the quality of direction. But Adrian Noble's new version breaks the spell.

It works by treating the play as an intimate, family drama with repercussions that spread through the kingdom, by conjuring up a tangible sense of evil and (like Trevor Nunn's 1976 studio version) by dispensing with an interval so that Macbeth's temporal rise and spiritual descent are one continuous process.

Noble's success owes a lot to designer Bob Crowley, who has found a perfect visual metaphor of the play. We are confronted by a stark, bare platform surrounded on three sides by walls of black wooden planks. Doors open up within this framework to suggest life going on in other rooms but Macbeth, the Witches, Lady Macduff et al exist within this same claustrophobic pressure-chamber.

For once the English scene comes literally as light relief since strips are torn away to reveal candles, a cross and the possibility of goodness. And, at the last, the walls crowd in on Macbeth and are pierced by symbolic green flags like the hands grabbing at Catherine Deneuve in Polanski's Repulsion. If you didn't speak English, you could still understand the play from the visual symbols.

But Noble goes further than any director I have seen in presenting the Macbeths as a Strindbergian couple locked together in love-hate. You can tell murder has not been far from their minds by Jonathan Pryce's faint when the Witches prophesy kingship.

But you get a sense of molten intimacy in their domestic relationship. When Sinead Cusack's Lady Macbeth taunts her husband with cowardice, he slaps her about the face. She aims retaliatory blows but, when she mentions the loss of their child, they clasp each other with fierce protectiveness.

Children are a constant theme in this production from the opening image of the Witches purloining a boy from a sleeping soldier to Macbeth's proprietorial embrace of Banquo's child. You feel that for the Macbeths naked power has become a substitute for parenthood.

Noble's emphasis is on Macbeth as a domestic tragedy about barrenness; and my only caveat is that psychological realism is sometimes achieved at the expense of, rather than through, language. Pryce, for instance, rounds off the warning that "Night's black agents to their preys do rouse" by making a scary-cat noise at his wife to make her jump out of her skin. But Shakespeare's poetry itself contains sufficient frisson to achieve that effect.

In other respects Pryce's performance is a remarkable example of thinking the character through from scratch. He presents us with a boisterous soldier long tormented by "wicked dreams" but dogged by personal insecurity; and, after the murder, he remains recognisably the same person as he tries to cover up his paroxysms at Banquo's ghost by making spooky noises to distract the guests.

Pryce brings to the part a wild, dangerous, driven humour while retaining a sense of corruption. But what plagues him is infertility; and, by a superb irony, when he visits the Weird Sisters he finds that their familiars are children who taunt him by becoming Banquo's issue.

I mean it as a compliment when I say that Sinead Cusack as his partner is as much Mrs Macbeth as Lady Macbeth; an ambitious woman who has channelled her thwarted motherhood into an insane dream of power. She also has a wonderful moment that is pure Patricia Highsmith when she shoots a panic-stricken look at her husband as he blows the perfect crime by revealing that he killed the grooms.

Nicholas Wooderson contributes an unusually fiery Malcolm, astonished to be nominated Duncan's heir and angry to be deprived of the throne, and there is an amusing Porter from David Troughton who comes complete with his own knock-knock jokes that might have surprised Shakespeare.

But the virtue of this production is that, like Noble's King Lear, it humanises a tragedy without scaling it down. It tells the story clearly. It suggests the ruin of a kingdom spread outwards. But, above all, it creates a consistent imaginative world in which the bread from Macbeth's banquet becomes the source of the Witches' spells; evil, in this fine production, is always seen as something domestic and concrete rather than vague and generic.

# Horror's steady drip

**CINEMA by Tim Pulleine**

IT took 23 years for the first sequel to the immortal Psycho to come along, and for Norman Bates, in the twitching person of Anthony Perkins, to resume residence at the Bates Motel. Some of us felt then that on the evidence of Psycho II he would have done better to stay away, but the good news is that **Psycho III** is quite a different kettle of red herrings. Not, certainly, a work to challenge comparison with the original, but an intriguing addendum to it.

The snare for a critic in commenting on this sort of picture is that of spoiling the surprise on which it partly depends. But the film vouchsafes fairly early on that whereas in Psycho II Norman seemed a reformed character, he is now showing some pretty spectacular signs of recidivism. "Mother" is again installed in the old, dark house, and the extra cost for motel patrons in taking a shower is once more liable to be considerable. In fact, though, the movie pulls off a particularly macabre invention to thwart our expectations of a reprise of the shower murder with a disturbed young ex-nun (nicely played by Diana Scarvid) as victim.

We are permitted to feel some sympathy for this figure, to whom Norman becomes ambiguously attached. But we are invited to feel none at all for the other secondary characters — a hard-faced woman reporter from a National Enquirer-type scandal sheet, who is snooping into the mystery of the motel, and a callow young tough who takes a temporary job there and bunglingly tries his hand at blackmail.

Just as the dialogue in Charles Edward Pogue's script makes creative play with louche vernacular ("Do you think he offed the broad?" askes someone about a missing person), the film as a whole — directed by Perkins himself with unostentatious address — embraces the rancid and seedy in a perversely invigorating fashion.

Partly it is by exploiting the greater permissiveness of the present compared with 1960, when Psycho came out, that the new film achieves distinctiveness: the irreligious allusions are more explicit, and so is the scatology. The sequence in which one murder victim is despatched while enthroned on the loo is one that Hitchcock, with his well-attested fondness for lavatorial humour, might surely have envied.

But the difference cuts both ways. Whether or not as a legacy of his English middle-class background, Hitchcock set much store by decorum and propriety of outward form, even when his characters were peering into the abyss. Here, it is true, Norman interrupts his hatchet-wielding advance on an intruder to straighten the picture which, in her terrified flight from him, she has unbalanced. But the scabrous tone of Psycho III reflects the influence wreaked on the horror film in recent years by such movies as The Texas Chainsaw Massacre, where the depravity of the untermenschen has eroded cultural distance and irony.

With its growling musical score and exact editing, the film reminds us that Hollywood craftsmanship is intact, but not its least interesting aspect is its demonstration of just how much popular culture has changed over the past quarter-century.

# *Handel with utmost care*

**HANDEL: Athalia Hogwood/Academy of Ancient Music/Sutherland/Kirkby/Bowman/Jones/Rolfe-Johnson. Oiseau-Lyre 417 126-2 two CDs, 417 126-1 two LPs.**

**HANDEL: Alcina Hickox/City of London Baroque Sinfonia/Opera Stage Chorus/Auger/Jones/Kuhlmann/Harrhy/Kwella/Davies/Tomlinson. EMI EX 27 0388 3 four LPs.**

IT IS a landmark for the early music movement when we have Dame Joan Sutherland appearing in an authentic performance of a Handel oratorio. She sings the title role in Athalia (rhymes with "fire") boldly, brilliantly with a richness and vibrancy to contrast superbly with the pure silver of the movement's favourite soprano, Emma Kirkby, not to mention the celestial treble of the much-feted Aled Jones in the role of the boy king, Joas.

Shrowdly thought out, this is just the sort of imaginative casting to give extra point and intensity to even the most refreshing authentic performance. Dame Joan has been a fine Handelian from the very beginning of her career. Her first records, made before her international success, included Handel arias, done — by the lights of the fifties — with concern for authenticity.

Here the casting of Dame Joan is perfectly designed to set the character of Queen Athalia, an apostate Baal-worshipper who comes to no good, apart from the Israelite characters led by the Priest, Joad (James Bowman in a castrato role) and Josabeth (Emma Kirkby). The libretto may be dim next to Racine's great drama on which it is loosely based, but Handel's musical characterisations are beautifully judged, with the good characters far from colourless.

So the solos for Joad and Josabeth (with surprisingly few full arias) regularly lead into choruses of comment, representing the voice of the people. Athalia by contrast is kept apart with no chorus on her side. Though Dame Joan's vibrato is fruitier than it used to be, her coloratura is as dazzling as ever, bringing a breathtaking display in the Queen's anger aria in Act 2, with ornamentation on the da capo repeat exuberantly going over the top.

The jewelled brightness and precision of Emma Kirkby's voice makes for delicious ornamentation, too, ideally contrasted, and though Aled Jones has his cautious moments the beauty of his

**RECORDS by Edward Greenfield**

singing is a thing of wonder, set against trebles only a little less exceptional from the choir of New College, Oxford. Three of them are given an extra chance to shine in the little trios for three Virgins which help to make the final chorus of Act 2 so striking.

Christopher Hogwood directs the Academy of Ancient Music brightly to bring out the speed and variety of this score, what has been described as Handel's first great English oratorio. Just over two hours long, it fits particularly well on two CDs with Act 1 on the first disc, Acts 2 and 3 on the second. With its extra glamour it even outshines Hogwood's earlier recording (with many of the same forces) of Handel's first English oratorio, also Racine-based, Esther.

In 1734, a year after Athalia had been given its performance in Oxford, Handel wrote for his new season at Covent Garden one of his greatest operas, Alcina. By happy chance that parallel masterpiece also appears on record this month in a performance if anything even more consistently well sung, and it makes a fascinating comparison.

The writing in both is equally inspired, and the opera if anything has even more Handelian gems, far more than just the well-known Verdi prati. But the progress is far more leisurely (four very well-filled LPs for this first really complete recording) and after the oratorio one does miss the leavening effect of brisk choruses and ensembles, for following *convention* Alcina consists, until the last scene, of a sequence of da capo arias.

This superb recording, based on a staged production at the Spitalfields and Cheltenham Festivals, does wonders in conveying the range of emotion and musical variety of the score with Richard Hickox conducting the City of London Baroque Sinfonia, underlining contrasts of mood and speed.

It would be hard to devise a septet of Handelians more stylish than the soloists here. Though the American, Arleen Auger, may not have the weight of Joan Sutherland, who sang the title role in the Covent Garden performances 20-odd years ago, she is just as brilliant and pure-toned, coping lovingly with the great expansive arias.

But in some ways Della Jones in the breeches role of Ruggiero steals the show in an extraordinary range of memorable arias, bold as well as tender.









*Dylan and Caitlin Thomas at Brown's Hotel, Langharne.*

# Dylan's doggishness

**By Julian Symons**

*CAITLIN: A Warring Absence by Caitlin Thomas with George Tremlett. (Secker & Warburg, £10.95).*

THIS is Caitlin's Own Story of life with Dylan Thomas as told to one George Tremlett over fifty hours of tape recording sessions to which he tells us both were frequently crying.

Mr Tremlett, a onetime GLC member, is a Thomas buff now settled in Laugharne where the Thomases lived. He wasn't satisfied by any of the half-dozen existing biographies and at a meeting of the Dylan Thomas Society suggested that his widow should write the definitive work. So here it is — or rather, here is the edited Tremlett version of the tapes. What does it tell us that is new about Dylan Thomas, his life and poetry?

The answer is, not much. The innocence, flamboyance, sweetness, drunkenness, lying, fantasising, spendthrift geniality and wilful disorganisation of Dylan Thomas have been recorded often, in particular by his best biographer Paul Ferris. Caitlin gives us a few more gallons of beer drunk, tells of quarrels when she knocked Dylan unconscious with a torch and banged his head on the floor, reveals that like Auden he wore no underclothes, tells how Dylan absented himself when the children were born, on one occasion disappearing for a week. But the real subject of this book is Caitlin and her troubles, of which Dylan was certainly the chief.

In her view the problems mostly came down to sex. High-coloured quick-tempered Caitlin Macnamara was the daughter of an Irishman who deserted his wife and four children before Caitlin was a teenager. Augustus John and his family were neighbours of the Macnamaras, and Caitlin nursed a platonic passion for one of the John boys, later Admiral Sir Caspar John. Her virginity, however, was taken by Augustus, who raped her after her first sitting for a portrait, and repeated the process at later sittings.

Dylan's approach to sex, on the other hand, was that of a child who wanted to be cuddled, comforted, generally mothered. When they were out on country walks she would pick him up and carry him over streams. "I never had an orgasm in all my years with Dylan. That lies at the heart of all our problems."

Another cause for resentment, though, was that Caitlin often felt herself ignored. She took a lasting dislike to the poet Norman Cameron because he did not speak to her after inviting husband and wife to lunch. Dylan ignored her when he was with pub cronies, and it was because she was being ignored that she cracked him on the head.

When she admits to her own bad behaviour it is always with a curious effect of being actually in the right. True enough she did go off for a projected night of love in Cardiff (nothing doing, the two of them just lay in the hotel bed), but then Dylan had been ignoring her and she was bored. And in Tremlett's confused and rambling editing of the tapes she often expresses contradictory views.

Dylan was never a brilliant talker and she didn't find him funny — but other people were falling about with laughter. He was wise, tolerant and charitable — and also a scoundrel who stole, lied, treated her badly. Dylan Thomas the poet? He hardly puts in an appearance.

Tremlett, Caitlin's organising ghost, says that after agreeing to the tape recordings in 1982, she changed her mind and called the whole thing off. Then a couple of years later she had second thoughts. Her first thoughts were the right ones.

# A smack in the Eye

**By Richard Boston**

*INSIDE PRIVATE EYE, by Peter McKay (Fourth Estate, £9.95).*

THERE is honour among thieves. One old Fleet Street rule used to be that dog doesn't eat dog, which means that one paper does not openly and explicitly attack another. For a quarter of a century Private Eye has cheerfully been breaking that rule. It is also part of Fleet Street lore that while "Dog bites man" is not news, "Man bites dog" is. Peter McKay's *Inside Private Eye* bites dog.

The book shows every sign of having been written at a sprint, or rather of having been dictated at one, since whoever took down P. G. Wodehouse as P. J. Wodehouse must have had his or her mind on P. J. Proby. Likewise the mention of Richard Ingrams's working shoes must, I suppose, be someone's mishearing of walking shoes.

At first glance the book looks like the old, old story which has been told so many times. The plucky little mag fearlessly takes on one Goliath after another, brings them down and grows into a (plucky?) big magazine with sales of over a quarter of a million and a turnover of £3 millions. So here they all are, the writs, the rows, the jokes, the lies, the Waughs and Dempsters and Bernards and Bookers and Ingrams, lined up to fight all over again their battles with Randolph Churchill, Lord Russell of Liverpool, Nora Beloff, James Goldsmith, and so on and on and on.

All this is extremely tedious, and of no interest to anyone outside the Private Eye circle. What makes Mr McKay's view from inside so readable is that it is incredibly bitchy. Beans are spilled all over the place, cats are let out of the bag and put amongst an enormous number of pigeons. For once Private Eye has been given a taste of its own medicine.

After the repulsive Nigel Dempster has fallen out with Private Eye, his ex-chums and colleagues discovered that one of the forenames of his father was Pratt. They gleefully jumped on this and made a big thing of it. It was not in itself a very funny joke, but what was hilariously funny, was Mr Dempster's sheer rage. It couldn't have happened to a nicer man.

It turns out that he can spend many well-paid years dishing it out but that he himself can't take it if you call him Pratt. Under the circumstances this seems to be a totally innocent source of merriment.



*Richard Ingrams — Top Dog.*

Peter McKay also tells the tale of the letter purporting to be from the literary editor of the Sunday Times to the repulsive Auberon Waugh. This asked Mr Waugh to review a book of homosexual literature and ended by saying that "I understand you are sympathetic to the gay movement and I would expect a generous piece." Again it's not in itself a terribly funny joke, but again what is hilariously funny is that Waugh, who has a certain reputation as a humorous writer, fell for it hook, line and sinker and actually failed to detect that the thing was a joke.

Nor does Mr McKay fail to sink a few teeth into the Top Dog himself. It is with some relish that he quotes Anthony Shrimsley denouncing Waugh and Ingrams as "liars motivated by malice who do not deserve to be employed as journalists or to share the company of decent people."

With equal glee McKay tells us that Ingrams thinks that Hugh Gaitskell was murdered by "the intelligence services." At various times he describes Ingrams as enormously pompous and as a determined self-publicist. Ingrams is constantly going on about his intolerance of bores. McKay has the nerve to point out that Ingrams's own "aloofness, his silences and his brooding are also boring to others."

However, the best thing of all in the book is a comment by someone called Candida Lycett Green. Speaking of Richard Ingrams, she says: "It is difficult to explain how wonderful he is, but he exudes goodness and a faint holiness." To appreciate how funny this remark is, one has to understand that it is just possible that it was made seriously.